1 2	WILSON, RYAN & CAMPILONGO	ORIGINAL FILED	
3	San Francisco, California 94104	APR 0 5 1994	
4		LOS ANGELES	
5		SUPERIOR COURT	
6		RECEIVED	
7	Hollywood, California 90028 (213) 953-3360	APR 1 2 1994	
8	Attorneys for Plaintiff CHURCH OF SCIENTOLOGY INTERNATIONAL	HUB LAW OFFICES	
9			
10	SUPERIOR COURT OF THE STA	ATE OF CALIFORNIA	
11	FOR THE COUNTY OF LOS ANGELES		
12	CHURCH OF SCIENTOLOGY) CASE N INTERNATIONAL, a California)	NO. BC 052395	
13	not-for-profit religious) VERIFI	IED SECOND AMENDED COMPLAINT	
14	,) AND PH	ERMANENT INJUNCTIVE RELIEF REACH OF CONTRACT	
15)	CEACH OF CONTRACT	
16	VS.)		
17			
18	ARMSTRONG CORPORATION, a) California corporation; DOES) 1-25 INCLUSIVE)		
19) Defendants.		
20			
21	Plaintiff, by its attorneys, Wil	lson, Ryan & Campilongo and	
22	Bowles & Moxon, for its Complaint, alleges:		
23	NATURE OF THE ACTION		
24	1. In violation of the express terms and spirit of a		
25	settlement agreement ("the Agreement") entered into in December,		
26	5 1986, defendant Gerald Armstrong ("Armstrong") has embarked on a		
27	7 deliberate campaign designed to aid plaintiff's litigation		
28	adversaries, breach the confidentiali	ty provisions of the	

Agreement, and foment litigation, hatred and ill-will toward
 plaintiff.

3! 2. More than seven years ago, plaintiff Church of Scientology International ("CSI") entered into the Agreement with 4 5 Armstrong, on its own behalf and for the benefit of numerous third-party beneficiaries. The Agreement provided for a mutual 6 7 release and waiver of all claims arising out of a cross-complaint which defendant Armstrong had filed in the case of Church of 81 Scientology of California v. Gerald Armstrong, Los Angeles 9 10 Superior Court No. C 420153. Armstrong, a former Church member who sought, by both litigation and covert means, to disrupt the 11 12 activities of his former faith, displayed through the years an 13 intense and abiding hatred for the Church, and an eagerness to 14 annoy and harass his former co-religionists by spreading enmity and hatred among members and former members. Plaintiff sought 15 16 with the Agreement to end all of Armstrong's covert activities 17 against it, along with the litigation itself. For that reason, 18 the Agreement contained carefully negotiated and agreed-upon 19 confidentiality provisions and provisions prohibiting Armstrong 20 from fomenting litigation against plaintiff by third parties. 21 These provisions were bargained for by plaintiff to put an end to 22 the enmity and strife generated by Mr. Armstrong once and for 23 all.

3. This action arises out of deliberate and repeated
breaches by Armstrong of these and other express provisions of
the Agreement. Although plaintiff fully performed all of its
obligations under the Agreement, Armstrong never intended to keep
his part of the bargain and maintains that he considered the

referenced provisions to be unenforceable ab initio. As soon as 11 he finished spending the money he extracted from plaintiff as the 2 price of his signature, Armstrong began a systematic campaign to 3 foment litigation against plaintiff by providing confidential 41 5 information, copies of the Agreement, declarations, and "paralegal" assistance to litigants actively engaged in 6 litigation against his former adversaries. Although plaintiff 7 has repeatedly demanded that Armstrong end his constant and 8 repeated breach of the provisions of the Agreement, Armstrong 9 appears to delight in renewing his annoying and harassing 10 11 activities, admitting to them in sworn declarations, and refusing to end his improper liaisons. 12

4. With this Complaint, plaintiff seeks the Court's aid in obtaining the peace for which it bargained more than seven years ago. Plaintiff requests liquidated damages pursuant to the terms of the Agreement from Armstrong and his sham corporate alter ego, the Gerald Armstrong Corporation ("GAC"), as well as injunctive relief to prevent additional and future breaches of the Agreement by Armstrong.

20

THE PARTIES

5. Plaintiff Church of Scientology International is a nonprofit religious corporation incorporated under the laws of the State of California, having its principal offices in Los Angeles, California. Plaintiff CSI is the Mother Church of the Scientology religion.

26 6. Defendant Gerald Armstrong is a resident of Marin
 27 County, California.

28

7. Defendant Gerald Armstrong Corporation is a corporation

incorporated under the laws of the State of California, having its principal offices in San Anselmo, California.

3 8. Defendant Armstrong is the principal shareholder in GAC
4 and its sole employee, and has been since the incorporation of
5 GAC in 1987.

Defendant GAC is, and at all times since its 6 9. 7 incorporation was, the alter ego of defendant Armstrong and there exists, and at all times since GAC's incorporation has existed, a 8 9 unity of interest and ownership between these two defendants such that any separateness between them has ceased to exist, in that 10 11 defendant Armstrong caused his own personal assets to be transferred to GAC without adequate consideration, in order to 12 13 evade payment of his lawful obligations, and defendant Armstrong 14 has completely controlled, dominated, managed and operated GAC 15 since its incorporation for his own personal benefit.

16 Defendant GAC is, and at all times herein mentioned 10. 17 was, a mere shell, instrumentality and conduit through which 18 defendant Armstrong carried on his activities in the corporate 19 name exactly as he conducted it previous to GAC's incorporation, 20 exercising such complete control and dominance of such activities 21 to such an extent that any individuality or separateness of 22 defendant GAC and defendant Armstrong does not, and at all 23 relevant times mentioned herein, did not exist.

11. Adherence to the fiction of the separate existence of defendant GAC as an entity distinct from defendant Armstrong would permit an abuse of the corporate privilege and would sanction fraud, in that Armstrong transferred his material assets to GAC in 1988, prior to embarking on the campaign of harassment

described herein, and with the intention of preventing plaintiff
from obtaining monetary relief from Armstrong pursuant to the
liquidated damages clause. GAC exists solely so that Armstrong
may be "judgment proof."

THE CONTRACT

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6 12. On or about December 6, 1986, CSI and Armstrong entered 7 into a written confidential settlement Agreement, a true and 8 correct copy of which is attached hereto as Exhibit A, and 9 incorporated herein by reference.

10 13. The Agreement was entered into by plaintiff and 11 defendant Armstrong, with the participation of their respective 12 counsel after full negotiation. Each provision of the Agreement 13 was carefully framed by the parties and their counsel to 14 accurately reflect the agreement of the parties.

15 Plaintiff specifically negotiated for and obtained from 14. 16 Armstrong the provisions in the Agreement delineated in 17 paragraphs 7(D), 7(H), 7(G), 10 and paragraphs 12 through 18, 18 because it was well aware, through investigation, that Armstrong 19 had undertaken a series of covert activities, apart from the 20 litigation, which were intended by Armstrong to discredit Church 21 leaders, spark government raids into the Churches, create phony 22 "evidence" of wrongdoing against the Churches, and, ultimately, 23 destroy the Churches and their leadership.

24 15. Contemporaneously with the signing of the Agreement,
25 Armstrong represented that he understood the Agreement's
26 provisions and was acting of his own free will and not under
27 duress.

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16. The Agreement also provided that plaintiff CSI would

1 pay to Armstrong's attorney, Michael Flynn, a lump sum amount intended to settle not just Armstrong's Case, but the cases of 2 other clients of Mr. Flynn as well, and that Mr. Flynn would pay 3 to Armstrong a portion of that settlement amount. The exact 4 amount of the portion to be paid to Armstrong by Mr. Flynn was 5 maintained as confidential between Mr. Flynn and Armstrong. 6 7 17. CSI paid to Mr. Flynn the lump sum settlement amount. 18. Mr. Flynn paid to Armstrong his confidential portion of 8 the lump sum settlement amount, which was at least \$520,000, 9 10 after expenses. 19. The consideration paid to Armstrong was fair, 11 12 reasonable and adequate. Plaintiff CSI has performed all of its obligations pursuant to the Agreement. 13 FIRST CAUSE OF ACTION 14 15 (Against Armstrong for Breach of Contract) 16 20. Plaintiff realleges paragraphs 1-19, inclusive, and incorporates them herein by reference. 17 18 21. Vicki and Richard Aznaran ("the Aznarans") are former Scientology parishioners currently engaged in litigation against, 19 inter alia, RTC and CSI, in the case of Vicki J. Aznaran, et al. 20 21 v. Church of Scientology of California, et al., United States 22 District Court for the Central District of California, Case No. 23 CV 88-1786 JMI (Ex). 24 22. In June, 1991, the Aznarans discharged their attorney, 25 Ford Greene, and retained attorney Joseph A. Yanny to represent 26 them. 27 23. While acting as the Aznarans' counsel, Yanny hired 28 Gerald Armstrong as a paralegal to help Yanny on the Aznaran

1 case.

23

24

2 24. In July, 1991, Armstrong agreed to travel from Marin
3 County to Los Angeles and asked Yanny to pay him \$500 for his
4 proposed help.

5 25. In July, 1991, Armstrong did travel to Los Angeles as 6 he had agreed, stayed with Yanny on July 15 and July 16, 1991, 7 and provided Yanny with paralegal assistance and a declaration 8 for the Aznaran case.

9 26. Yanny is former counsel to CSI, and his substitution 10 into the case was vacated by the Court <u>sua sponte</u> on July 24, 11 1991, the Court noting that Yanny's retention as the Aznarans' 12 counsel was "highly prejudicial" to CSI.

13 27. Armstrong's acceptance of employment by Yanny to work
14 on the Aznarans' litigation is a direct violation of Paragraphs
15 7(G) and 10 of the Agreement.

16 28. As a direct and proximate result of Armstrong's breach 17 of the agreement by providing paralegal assistance to Yanny in 18 the Aznarans' litigation, plaintiff has incurred damages which 19 are not presently calculable. In no event, however, are they 20 less than the jurisdictional minimum of this Court.

21 Consequently, for this breach plaintiff seeks compensatory and 22 consequential damages according to proof.

SECOND CAUSE OF ACTION

(Against Armstrong for Breach of Contract)

29. Plaintiff realleges paragraphs 1-19, 21-28, inclusive,
 and incorporates them herein by reference.

30. After Yanny entered his appearance in the Aznarans'
case and indicated to CSI's counsel that he represented Gerald

Armstrong as well, CSI brought suit against Yanny in the case of 1 2 Religious Technology Center, et al. v. Joseph A. Yanny, et al., 3 Los Angeles Superior Court No. BC 033035 ("RTC v. Yanny"). In 4 that action, plaintiff sought and obtained a Temporary 5 Restraining Order and a Preliminary Injunction against Yanny, which prohibit Yanny from aiding, advising, or representing, 6 7 directly or indirectly, the Aznarans or Armstrong, on any matters 8 relating to the plaintiff.

9 31. At the hearings before the Court on the temporary
10 restraining order and the injunction, Yanny filed two
11 declarations prepared and executed by Armstrong on July 16, 1991.
12 The declarations were offered by Yanny as part of Yanny's
13 defense, which was ultimately rejected by the Court when it
14 issued its injunction.

15 32. Armstrong's aid to Yanny in the <u>RTC v. Yanny</u> case is a
 16 direct violation of Paragraphs 7(G) and 10 of the Agreement.

Armstrong attached as an exhibit to one of his July 16, 18 1991 declarations a copy of the Agreement, the terms of which he had agreed, pursuant to paragraph 18(D), to keep confidential. This disclosure of the terms of the Agreement is a violation of its non-disclosure provisions, requiring that Armstrong pay to CSI \$50,000 in liquidated damages.

34. Despite demand by plaintiff, Armstrong has failed and refused to pay them the \$50,000 owed in liquidated damages for this breach of the Agreement.

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THIRD CAUSE OF ACTION

(Against All Defendants for Breach of Contract)35. Plaintiff realleges paragraphs 1-19, 21-28 and 30-34,

1 inclusive, and incorporates them herein by reference.

36. After Yanny's substitution into the Aznarans' case was
 summarily vacated, Ford Greene was reinstated as Aznarans'
 counsel of record. Ford Greene's law offices are located in San
 Anselmo, California.

6 37. On or about August, 1991, Armstrong began working in 7 Ford Greene's office as a paralegal on the Aznarans' case. When, thereafter, the Aznarans hired attorney John Elstead to represent 8 them as well, Armstrong provided paralegal services to Elstead as 9 well as Greene. Armstrong's employment in Greene's office has 10 continued to the present. Armstrong's activities constitute a 11 daily and continuing breach of his contract, rendering 12 13 plaintiff's bargain a nullity.

14 38. Plaintiff CSI has already incurred, and continues to 15 incur, damages as a direct and proximate result of Armstrong's 16 provision of aid to Greene in the Aznarans' case. Those damages 17 are not presently calculable and will cease only when Armstrong 18 is ordered to stop his improper conduct. In no event, however, 19 are they less than the jurisdictional minimum of this Court. 20 Consequently, for this breach plaintiff seeks compensatory and 21 consequential damages according to proof.

FOURTH CAUSE OF ACTION

22

(Against All Defendants for Breach of Contract)
39. Plaintiff realleges paragraphs 1-19, 21-28, 30-34 and
36-38, inclusive, and incorporates them herein by reference.
40. In addition to the paralegal services which Armstrong
has provided to Ford Greene and John Elstead on the Aznarans'
litigation, Armstrong also provided the Aznarans with a

declaration, dated August 26, 1991, and filed in the Aznarans' case. In that declaration, Armstrong describes some of his alleged experiences with and concerning plaintiff, and purports to authenticate copies of certain documents. These actions and disclosures are violations of paragraphs 7(G), 7(H) and 10 of the Agreement, requiring that Armstrong pay to CSI \$50,000 in liquidated damages.

8 41. Despite demand by plaintiff, Armstrong has failed and
9 refused to comply with the liquidated damages provision by paying
10 \$50,000 to plaintiff as demanded for this breach of the
11 Agreement.

12

FIFTH CAUSE OF ACTION

13 (For Breach of Contract Against Armstrong) 14 Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-42. 38 and 40-41, inclusive, and incorporates them hereby reference. 15 16 43. On or about March 19, 1992, Armstrong, acting through 17 Ford Greene as his agent, transmitted a press release to various 18 members of the media, including the Cable News Network, San 19 Francisco Chronicle, San Francisco Examiner, and the Marin County 20 Independent Journal. A true and correct copy of the press 21 release is attached hereto as Exhibit B. Said press release 22 violated the Agreement in that it constituted disclosures by 23 Armstrong, through Ford Greene as his agent, of his experiences 24 with Scientology as prohibited by paragraph 2. The following are 25 the excerpts from the press release which violate paragraph 2: 26

a) "Can the Scientology organization purchase the free speech rights of <u>Gerald Armstrong-the former</u>
 in-house biographer researcher/archivist of cult
 leader, L. Ron Hubbard..."

1) (d	"A former high-ranking Scientologist for 12 years, Armstrong split with the group when it insisted he
2			continue lying about the accomplishments Hubbard claimed to the public at large."
3		c,	"For years Scientology has treated Armstrong as a
4		- /	'suppressive person' who was 'fair game.'"
5		d)	"Armstrong is resisting Scientology's high-powered attack in an effort to affirm his right to free speech to maintain vigilance for the truth."
7			
8		e)	"(Scientology is) fabricating false scenarios in other court proceedings that Armstrong was an agent of the IRS out to destroy it."
9	. 44.	In a	ddition, the press release devotes an entire
10	paragraph	to a	description of the lawsuit resulting from the
11	Settlement	Agr	eement and to a description of the Settlement
12	Agreement	itse	lf: /
13			er Armstrong beat Scientology's lawsuit
14		pros	nst him in 1984, he was poised to ecuțe his own claims. For millions of
15		with	ars, however, in 1986 Scientology settled he and over 17 other Scientology ledgeable individuals on the condition
16		that	those persons would forever keep silent, d giving sworn testimony by evading
17 18		subp	oenas, and never aid or assist anyone rse to Scientology."
19	The distri	ibuti	on of the press release violated the provisions of
20	paragraphs	57(D) and 18 of the Agreement.
21	45.	By r	eason of the foregoing breach by Armstrong,
22	plaintiff	is e	ntitled to \$50,000 in liquidated damages and
23	compensato	ory d	amages not presently known but believed to be in
24	excess of	the	jurisdictional minimum of this Court.
25			SIXTH CAUSE OF ACTION
26			(For Breach of Contract by Armstrong)
27	46.	Plai	ntiff realleges paragraphs 1-19, 21-28, 30-34, 36-
	38, 40 - 41 a	and 43	-45, inclusive, and incorporates them hereby by reference.
28			

1 47. On or about March 19 and 20, 1992, Armstrong and 2 Greene, acting as Armstrong's agent, granted the media additional 3 interviews, which also violated paragraph 2 of the Agreement. 4 During the course of his interview with the Cable News Network. 5 for example, Armstrong stated, "I'm an expert in the misrepresentations Hubbard has made about himself from the 6 beginning of Dianetics until the day he died." Attached hereto 7 8 and incorporated herein by reference as Exhibit C is a true and correct transcription of the CNN broadcast which featured this 9 10 statement made voluntarily by Armstrong in a media interview. By reason of the foregoing breach of the Agreement, 11 48. 12 plaintiff is entitled to \$50,000 in liquidated damages. 13 SEVENTH CAUSE OF ACTION 14 (Against Armstrong for Breach of Contract) 15 Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-49. 16 38, 40-41, 43-45 and 47-48, inclusive and incorporates them 17: herein by reference. 18 50. On or about February, 1992, Armstrong agreed to appear 19 voluntarily as an "expert witness" in litigation known as 20 Hunziker v. Applied Materials, No. 692629 S.C.S.C (the "Hunziker 21 case"). The alleged subject of his "expertise" was Scientology. 22 The defendants named in the <u>Hunziker</u> case include, <u>inter alia</u>, 23 World Institute of Scientology Enterprises, Inc., which is a 24 Scientology affiliated entity protected by the Agreement. 25 51. On or about February 21, 1992 and February 23, 1992, 26 Armstrong met voluntarily with James Rummond and John Elstead, 27 attorneys for the plaintiffs in the <u>Hunziker</u> case. During his 28 meetings with these attorneys, Armstrong discussed his alleged

history and experiences with plaintiff and with other Scientology
 entities and individuals protected by the Agreement, and offered
 to appear for the plaintiffs as an "expert" on the subject of
 Scientology practices and beliefs.

52. On March 3, 1992, Armstrong voluntarily, and without 5 the issuance of a subpoena by anyone, appeared for deposition in 6 71 the Hunziker case and accepted a fee for his testimony from the defendants in that case of \$1,000. During the course of the 8 deposition, which lasted for approximately four hours, Armstrong 9 testified at length concerning his alleged experiences with and 10 concerning plaintiff and other Scientology affiliated entities 11 and individuals protected by the Agreement, and concerning 12 13 knowledge and information which he claimed to have, concerning 14 plaintiff and other Scientology affiliated entities and 15 individuals.

16 53. During his deposition on March 3, 1992, Armstrong 17 produced documents which he claimed to have reviewed in 18 preparation for his testimony, in violation of paragraph 7(D) of 19 the Agreement.

20 54. On or about March 12, 1992, Armstrong again appeared 21 for deposition in the Hunziker case. This time, Armstrong 22 claimed that he had been given a deposition subpoena not by the deposing attorney, but by attorney Elstead, and that Elstead had 23 24 "filled out" the subpoena earlier that morning. Armstrong 25 refused to produce a copy of the alleged subpoena, which had not 26 been served on any of the parties to the case. In fact, 27 Armstrong himself requested that Elstead issue him a subpoena on 28 Sunday, March 8, 1992, after a temporary restraining order was

issued in this case. On March 8, 1992, Armstrong delivered
 additional documents to Elstead, again in violation of paragraph
 7(D) of the Agreement.

55. Plaintiff learned in April, 1992, through review of the 4 5 aforesaid deposition transcript, that since the signing of the Agreement, Armstrong had "taken it upon [him]self" to reacquire 6 documents which he had previously returned to plaintiff "from 7 whatever source." He produced many of those documents 8 voluntarily, first to Elstead on March 8, 1992, and then to 9 10 opposing counsel during the March 12, 1992 deposition. 11. 56. These actions and disclosures are violations of 12 Paragraphs 7(D), 7(G), 7(H) and 10 of the Agreement, requiring that Armstrong pay to CSI-\$250,000 in liquidated damages. 13 14 EIGHTH CAUSE OF ACTION 15 (Against Armstrong for Breach of Contract) 16 57. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-17 38, 40-41, 43-45, 47-48, 50-56, inclusive, and incorporates them 18 herein by reference. 19 58. On or about April 7, 1992, while testifying in the 20 matter known as Church of Scientology v. Yanny, (No. BC 033035), 21 Armstrong made the Settlement Agreement sued upon herein an 22 exhibit to the deposition transcript. Said action was a breach 23 of paragraph 18(D) of the Agreement which prohibits disclosure of the contents of the Agreement. 24 25 59. By reason of the foregoing breach of the Agreement, 26 Plaintiff is entitled to \$50,000 in liquidated damages, together

28 plaintiff but believed to be in excess of the jurisdictional

with compensatory damages in an amount not presently known to

27

minimum of this court. 1 2 NINTH CAUSE OF ACTION 3 (Against Armstrong for Beach of Contract) 4 60. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-38, 40-41, 43-45, 47-48, 50-56 and 58-59, inclusive, and 5 6 incorporates them herein by reference. 7 61. In breach of the provision of paragraph 7(E) of the Agreement, Armstrong failed to return a letter written by L. Ron 8 9 Hubbard to the Federal Bureau of Investigation in 1955 and an internal communication known as "Technical Bulletin." 10 62. In breach of the provisions of paragraph 7(H) of the 11! 12 Agreement, Armstrong gave a declaration in the Aznaran litigation 13 on August 26, 1991 in opposition to a motion to exclude expert 14 testimony. 15 63. Said declaration attached as exhibits the two documents 16 referred to in paragraph 61 above, in breach of the provisions of 17 Paragraph 7(D) of the Agreement. 18 64. By reason of the breaches by Armstrong in paragraphs 19 7(E) and 7(H) of the Agreement, plaintiff has been damaged in an 20 amount not presently known but believed to be in excess of the jurisdictional minimum of this Court. 21 22 65. By reason of the breach by Armstrong of paragraph 7(D)23 of the Agreement, plaintiff is entitled to liquidated damages in 24 the amount of \$50,000. 25 TENTH CAUSE OF ACTION 26 (Against Armstrong for Breach of Contract) 27 66. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-28 38, 40-41, 43-45, 47-48, 50-56, 58-59 and 61-65, inclusive, and

1 incorporates them herein by reference.

67. Plaintiff learned in March, 1992, that during 1990 and
1991, Armstrong voluntarily provided aid and advice to Bent
Corydon and to Corydon's attorney, Toby Plevin, in the conduct of
litigation against plaintiff and affiliated entities in the case
of <u>Bent Corydon v. Church of Scientology International, et al.</u>,
Los Angeles Superior Court Case No. C 694401.
68. Armstrong's voluntary provision of aid to Plevin to

8 68. Armstrong's voluntary provision of aid to Plevin to
9 work on Corydon's litigation is a direct violation of paragraphs
10 7(G) and 10 of the Agreement.

11 69. As a direct and proximate result of Armstrong's breach 12 of the Agreement by providing voluntary assistance to Plevin in 13 Corydon's litigation, plaintiff has incurred damages which are 14 not presently calculable. In no event, however, are they less 15 than the jurisdictional minimum of this Court. Consequently, for 16 this breach plaintiff seeks compensatory and consequential 17 damages according to proof.

18

ELEVENTH CAUSE OF ACTION

(Against Armstrong for Breach of Contract)
 70. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, inclusive,
 and incorporates them herein by reference.

71. On May 27, 1992, after plaintiff's motion for
preliminary injunction in this matter had been argued, and while
a determination of that motion was still pending, Armstrong
voluntarily provided a declaration to Gary M. Bright and Jerold
Fagelbaum, attorneys for defendants David Mayo, Church of the New
Civilization, John Nelson, Harvey Haber, Vivien Zegel and Dede

1 Reisdorf in the consolidated cases of Religious Technology 2 Center, et al. v. Robin Scott, et al., and Religious Technology 3 Center, et al. v. Wollersheim, et al., United States District 4 Court for the Central District of California, Case Nos. CV 85-711 JMI (Bx) and CV 85-7197 JMI (Bx) (the "Scott case"). The 5 plaintiffs in the Scott case are plaintiff, Church of Scientology 6 International, Church of Scientology of California, and Religious 71 Technology Center, all entities specifically protected by the 8 9 Agreement.

10 72. In his May 27, 1992 declaration, Armstrong purports to 11 authenticate an earlier declaration which describes some of his alleged experiences with and concerning plaintiff, as well as a 12 portion of a transcript which was ordered sealed in the earlier 13 14 action between plaintiff and defendant. These actions and 15 disclosures are violations of paragraphs 7(G), 7(H) and 10 of the 16 Agreement, requiring that Armstrong pay to CSI \$50,000 in 17 liquidated damages.

18 73. As a direct and proximate result of Armstrong's breach of the Agreement by providing voluntary assistance to Bright and 19 20 Fagelbaum in the Scott case, plaintiff has incurred additional 21 damages which are not presently calculable. In no event, 22 however, are they less than the jurisdictional minimum of this 23 Court. Consequently, for this breach plaintiff also seeks 24 compensatory and consequential damages according to proof. 25 TWELFTH CAUSE OF ACTION

26 (Against All Defendants for Breach of Contract)
27 74. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 3628 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73,

1 inclusive, and incorporates them herein by reference.

75. Since August, 1991, Armstrong has worked as a paralegal
for attorney Ford Greene. Mr. Greene's practice consists
substantially of pressing claims by former Scientologists against
the plaintiff and other individuals and entities identified in
paragraph 1 as beneficiaries of the Agreement (collectively, "the
Beneficiaries").

8 76. Among Mr. Greene's clients who are pressing claims 9 against one or more of the Beneficiaries are Ed Roberts and 10 Denise Cantin.

11 77. While working in Mr. Greene's office, Armstrong provided substantial paralegal assistance to Mr. Greene in the Ed 12 13 Roberts and Denise Cantin matters. In the case of. Roberts, for 14 example, Armstrong went to Colorado and interviewed Roberts in 151 November, 1991, and has interviewed him at least seven times 16 since then. In December, 1992, Armstrong even made a settlement 17 demand to plaintiff's counsel on behalf of Roberts, without 18 bothering to go through Roberts' attorney, Mr. Greene.

19 78. Armstrong's employment by Greene to work on the Roberts
20 and Cantin matters is a direct violation of paragraphs 7(G) and
21 10 of the Agreement.

79. As a direct and proximate result of Armstrong's breach of the agreement by providing paralegal assistance to Greene on the Roberts and Cantin matters, plaintiff has incurred damages which are not presently calculable. In no event, however, are they less than the jurisdictional minimum of this Court. Consequently, for this breach plaintiff seeks compensatory and consequential damages according to proof.

THIRTEENTH CAUSE OF ACTION

2	(For Breach of Contract Against All Defendants)
3	80. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-
4	38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 7-69, 71-73 and 75-
5	79, inclusive, and incorporates them herein by reference.
6	81. In or about November, 1992, in Los Angeles, California,
7	Armstrong attended a convention of the Cult Awareness Network, an
8	anti-religious group whose members advocate the kidnapping and
9	"deprogramming" of persons belonging to groups which they label
10	"cults." While at the convention, Armstrong provided a lengthy
11	videotaped interview to deprogramming specialist Jerry Whitfield.
12	A true and correct copy of the transcript of the videotape is
13	attached hereto as Exhibit D. Said videotaped interview violates
14	the Agreement in that it purportedly contains disclosures by
15	Armstrong of his claimed experiences with Scientology as
16	prohibited by paragraph 7(D) of the Agreement.
17	82. In addition, the videotaped interview devotes an entire
18	section to a description of the earlier action resulting from the
19	Settlement Agreement and to a description of the Settlement
20	Agreement itself. The making of the videotape violated the
21	provisions of paragraphs 7(D) and 18 of the Agreement.
22	83. In addition, plaintiff is informed and therefore
23	believes that Armstrong has distributed the videotape to persons
24	other than Whitfield, the number of which plaintiff has still to
25	ascertain. The provision of the videotape by Armstrong to any
26	person additionally violates paragraphs 7(D) and 18 of the
27	Agreement.
28	84. In addition, while at the CAN convention, Armstrong

1 spoke with approximately fifty (50) people, and willingly 2 disclosed to them his claimed experiences with Scientology, in 3 violation of paragraphs 7(D) and 18 of the Agreement. 4 35. By reason of the foregoing breaches by Armstrong, plaintiff is entitled to at least \$150,000 in liquidated damages. 5 6 and further liquidated damages subject to proof. 7 FOURTEENTH CAUSE OF ACTION 8 (For Breach of Contract Against All Defendants) 9 86. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75-79 10 and 81-85, inclusive, and incorporates them herein by reference. 11 12 87. On or about December 22, 1992, Armstrong sent a letter 13 to, inter alia, Malcolm Nothling, Ed Roberts, Lawrence 14 Wollersheim, Richard Aznaran, Vicki Aznaran, Richard Behar, Ford 15 Greene, Paul Morantz, Joseph A. Yanny, Toby L. Plevin, Graham E. 16 Berry, Stuart Cutler, Anthony Laing, John C. Elstead, Fr. Kent 17 Burtner, Margaret Singer, Cult Awareness Network and Daniel A. 18 Leipold. Each of these individuals or organizations is (a) 19 engaged in litigation against plaintiff and/or other 20 Beneficiaries; (b) an avowed adversary of plaintiff and/or other 21 Beneficiaries; and/or (c) an attorney who represents or has 22 represented litigants and/or adversaries of plaintiff and/or 23 other Beneficiaries. A true and correct copy of the letter sent 24 by Armstrong is attached hereto as Exhibit E. Said letter 25 violates the Agreement in that it contains purported disclosures 26 by Armstrong of his claimed experiences with Scientology as 27 prohibited by paragraph 7(D). 28 88. In addition, the letter devotes an entire section to a

1 description of the earlier action resulting from the breaches of the Settlement Agreement and to a description of the Settlement 2 Agreement itself. The sending of the letter to plaintiff's 3 adversaries violated the provision of paragraph 7(D) of the 4 5 Agreement. 89. By reason of the foregoing breach of the Agreement, 6 7 plaintiff is entitled to \$950,000 in liquidated damages. 8 FIFTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 9 10 90. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 71-73, 75-79, 81-85 11 and 87-89, inclusive and incorporates them herein by reference. 12 13 91. According to Armstrong, sometime between December 22, 1992 and March 10, 1993, he spoke at an event at which 14 approximately 30 to 40 people were present. At this event, 15 16 Armstrong spoke of, inter alia, his claimed experiences with 17 Scientology, in violation of at least paragraphs 7(D) and 18 of 18 the Agreement, and received monetary compensation for his speech. 19 92. By reason of the foregoing breach of the Agreement, 20 plaintiff is entitled to \$50,000 in liquidated damages. 21 SIXTEENTH CAUSE OF ACTION 22 (Against All Defendants for Breach of Contract) 23 93. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-24 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 71-73, 75-79, 81-25 85, 87-89, 91-92, inclusive, and incorporates them herein by 26 reference. 27 94. In or about June, 1993, Armstrong gave an interview to 281 one or more reporters from Newsweek magazine, which also violated

1	paragraph 7(D) of the Agreement. Plaintiff is informed, and
2	therefore believes, that during the course of his interview with
3	the <u>Newsweek</u> reporter(s), whose identity is known to defendants
4	but not to plaintiff, Armstrong stated that the Founder of the
5	Scientology faith, L. Ron Hubbard, wanted "rich Scientologists to
6	buy huge quantities of [The Way to Happiness] for distribution.
7	He wanted to go down in history as a scientist or a philosopher
8	or both." Attached hereto and incorporated herein by reference
9	as Exhibit F is a true and correct copy of the <u>Newsweek</u> article
10	which featured this statement made voluntarily by Armstrong in a
11	media interview. The provision of this interview by Armstrong
12	violated the provisions of paragraphs 2, 7(D) and 18 of the
13	Agreement.
14	95. By reason of the foregoing breach of the Agreement,
15	plaintiff is entitled to \$50,000 in liquidated damages.
15 16	plaintiff is entitled to \$50,000 in liquidated damages. SEVENTEENTH CAUSE OF ACTION
16	SEVENTEENTH CAUSE OF ACTION
16 17	SEVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract)
16 17 18	SEVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-
16 17 18 19	SEVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75-
16 17 18 19 20	SEVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75- 79, 81-85, 87-89, 91-92 and 94-95, inclusive, and incorporates
16 17 18 19 20 21	SEVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75- 79, 81-85, 87-89, 91-92 and 94-95, inclusive, and incorporates them herein by reference.
16 17 18 19 20 21 22	<pre>Seventeenth cause of Action (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75- 79, 81-85, 87-89, 91-92 and 94-95, inclusive, and incorporates them herein by reference. 97. In or about August, 1993, Armstrong gave an interview</pre>
16 17 18 19 20 21 22 23	EVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75- 79, 81-85, 87-89, 91-92 and 94-95, inclusive, and incorporates them herein by reference. 97. In or about August, 1993, Armstrong gave an interview to one or more reporters from Entertainment Television, with the
16 17 18 19 20 21 22 23 24	EVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75- 79, 81-85, 87-89, 91-92 and 94-95, inclusive, and incorporates them herein by reference. 97. In or about August, 1993, Armstrong gave an interview to one or more reporters from Entertainment Television, with the intention that the reporters broadly republish the interview on
16 17 18 19 20 21 22 23 24 25	SEVENTEENTH CAUSE OF ACTION (Against All Defendants for Breach of Contract) 96. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36- 38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75- 79, 81-85, 87-89, 91-92 and 94-95, inclusive, and incorporates them herein by reference. 97. In or about August, 1993, Armstrong gave an interview to one or more reporters from Entertainment Television, with the intention that the reporters broadly republish the interview on national television, which also violated paragraph 7(D) of the

1	concerning his claimed experiences with Scientology. Further,
2	Armstrong provided to Entertainment Television a copy of a
3	manuscript entitled: "ONE HELL OF A STORY An Original Treatment
4	Written for Motion Picture Purposes Created and Written by Gerald
ō	Armstrong" (hereinafter, "the treatment"). Plaintiff is informed
6	and believes that the treatment so provided includes detailed
7	descriptions of Armstrong's alleged experiences in and concerning
8	Scientology, including a description of Church scriptures which
9	are considered sacred and confidential by the Church. Portions
10	of the Armstrong interview and the treatment were shown on
11	Entertainment Television's "Entertainment Tonight" show on August
12	5, 1993. The provision of this interview and the treatment by
13	Armstrong to Entertainment Television violated the provisions of
14	at least paragraphs 7(D) and 18 of the Agreement.
15	98. By reason of the foregoing breach of the Agreement,
16	plaintiff is entitled to \$50,000 in liquidated damages.
17	EIGHTEENTH CAUSE OF ACTION
18	(Against All Defendants for Injunctive Relief)
19	99. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 36-
20	38, 40-41, 43-45, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75-
21	79, 81-85, 87-89, 91-92, 94-95, 97-98, inclusive, and
22	incorporates them herein by reference.
23	100. In or about June 1993, defendant Armstrong caused the
24	formation of and became a director and officer of a Colorado
25	corporation which he called Fight Against Coercive Tactics, Inc.
26	("FACTI"). One of the avowed purposes of this corporation is to
27	foment civil litigation against plaintiff and the other entities
28	and individuals protected by the Agreement. Armstrong formed

1 FACTI to implement his plan to foment such litigation.

101. Armstrong has established FACTI to create an electronic
"library" that would feature, <u>inter alia</u>, hundreds of documents,
declarations, exhibits and arguments prepared by Armstrong which
discuss and pertain to the Beneficiaries, and to attempt to
"shelter" these contractual breaches under a corporate name and
the rubric of First Amendment privilege.

8 102. Armstrong has provided an entire assortment of documents to FACTI for its electronic library, including a copy 9 of the settlement agreement herein, scores of declarations, and 10 11 documents which Armstrong retained in violation of paragraph 7(E)of the Agreement. / Providing these documents to FACTI with the 12 13 intention that FACTI distribute them to others, including but not 14 limited to other litigants, is a breach of paragraphs 7(H) and 15 7(D) of the Agreement.

16 103. In or about January, 1994, Armstrong, using FACTI, sent 17 a mass mailing to an as yet unascertained number of people, 18 including members of the Scientology faith. In the mailing, 19 Armstrong exhorts recipients to bring civil actions against the Church, stating that he is collecting negative information about 20 21 the plaintiff "to assist ongoing litigation." Further, Armstrong 22 requests the addresses of and ways to contact the family members 23 of senior Church executives, an action which is clearly intended 24 for the purpose of harassment.

104. To further the fomenting of litigation, the mailing contains a list, based on rumor, falsehood and innuendo, of persons supposedly harmed or injured by their belief in the Scientology religion. Plaintiff is informed and believes that

Armstrong, using FACTI as his cover, provided that list to Graham
 Berry, an attorney representing defendant Uwe Geertz in the case
 of <u>Church of Scientology International v. Steven Fishman, et al.</u>,
 United States District Court for the Central District of Los
 Angeles, Case No. 91-6426 HLH (Tx), which Berry then used against
 the Church in that action.

7 105. Armstrong's provision of assistance to Geertz and scores of other as yet unidentified would-be litigants is a 8 9 direct violation of paragraphs 7(G) and 10 of the Agreement. 10 106. As a direct and proximate result of Armstrong's breach of the agreement via FACTI, plaintiff has incurred damages which 11 12 are not presently calculable. In no event, however, are they 13 less than the jurisdictional minimum of this Court. Consequently, 14 for this breach plaintiff seeks compensatory and consequential 15 damages according to proof.

NINETEENTH CAUSE OF ACTION

16

17

(Against Armstrong for Breach of Contract)

18 107. Plaintiff realleges paragraphs 1-19, 21-28, 30 -34, 3619 38, 40-41, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75-79, 8120 85, 87-89, 91-92, 94-95, 97-98, and 100-106, inclusive, and
21 incorporates them herein by reference.

108. On or about February 22, 1994, Armstrong voluntarily
provided a declaration to Graham E. Berry, Gordon C. Calhoun, and
the law firm of Lewis, D'Amato, Brisbois & Bisgaard, attorneys
for defendant Uwe Geertz in the case of <u>Church of Scientology</u>
<u>International v. Steven Fishman and Uwe Geertz</u>, United States
District Court for the Central District of California, Case No.
CV 91-6426 HLH (Tx). The declaration consists of a 14-page

1 discussion of his claimed experiences with and concerning 2 plaintiff.

109. In his February 22, 1994 declaration, Armstrong also
purports to authenticate a document which he titles "Find a
Better Basket," and which he claims is both a literary work and a
declaration. Armstrong further claims that "Find a Better
Basket" describes some of his alleged experiences with and
concerning plaintiff.

9 110. These actions and disclosures are violations of
10 paragraphs 7(G), 7(H) and 10 of the Agreement, requiring that
11 Armstrong pay to CSI \$50,000 in liquidated damages.

12 111. As a direct and proximate result of Armstrong's breach 13 of the Agreement by providing voluntary assistance to Berry and 14 Calhoun in the <u>Fishman</u> case, plaintiff has incurred additional 15 damages which are not presently calculable. In no event, 16 however, are they less than the jurisdictional minimum of this 17 Court. Consequently, for this breach plaintiff also seeks 18 compensatory and consequential damages according to proof.

19

TWENTIETH CAUSE OF ACTION

20 (Against All Defendants for Injunctive Relief)
21 112. Plaintiff realleges paragraphs 1-19, 21-28, 30-34, 3622 38, 40-41, 47-48, 50-56, 58-59, 61-65, 67-69, 71-73, 75-79, 8123 85, 87-89, 91-92, 94-95, 97-98, 100-106 and 108-111, inclusive,
24 and incorporates them herein by reference.

25 113. On or about April 28, 1993, plaintiff learned that
26 Armstrong intended to appear that day on radio station KFAX and
27 disclose his claimed experiences with Scientology. Plaintiff's
28 counsel, Laurie Bartilson, faxed a letter to Armstrong and his

attorney, informing him that plaintiff would consider any such 1 appearance to be a violation of the Agreement, and would subject 2 Armstrong to the liquidated damages provision contained therein. 3 In response, Armstrong sent a letter to Ms. Bartilson which 4 stated, inter alia, 5 Your threat that you will subject me to the liquidated 6 damages provision of the settlement agreement for 7 appearing on KFAX is obscene. Even its inclusion in the settlement agreement; that is \$50,000.00 per word I write or speak about your organization is obscene.... 8 In addition, Armstrong asserted that settlement agreements were 9 an "antisocial policy" of plaintiff. He stated that he would not 10 stop making media appearances and speeches, and that he had more 11 planned for the near future if plaintiff did not immediately 12 13 accede to his demands: 14 I expect to be doing various media appearances in the near future and talks to various groups, including one 15 I have already agreed to with a university psychology I think it would be very beneficial, therefore, class. 16 to resolve our differences as soon as possible by your organization's clear repudiation of its antisocial 17 policies and practices, so that I can have good things to report at these talks. 18 114. In or about June, 1993, Armstrong made good his 19 threats, and gave an interview to a reporter(s) from Newsweek 20 magazine, as described in paragraph 94, supra. 21 115. On July 2, 1993, again making good his threats, 22 Armstrong appeared in Los Angeles, California at the Los Angeles 23 Superior Court. He attended a hearing in the Wollersheim II 24 case, and afterwards gave an interview to a reporter who claimed 25 to be "working on a story," but refused to identify himself. 26 116. In or about August, 1993, Armstrong gave an interview 27 to reporters from Entertainment Television, as described in 28

1 paragraph 97, <u>supra</u>.

117. In or about August, 1993, Armstrong delivered to Entertainment Television a motion picture "treatment" concerning his experiences in and concerning Scientology, and told reporters for Entertainment Television that he was trying to "sell" the treatment, and have his claimed experiences portrayed in a motion picture.

8 118. In his February 22, 1994 declaration, which Armstrong 9 provided to attorneys for litigant Uwe Geertz, Armstrong 10 purported to authenticate a document which he titles "Find a 11 Better Basket." Armstrong further claims that "Find a Better 12 Basket" supposedly/ describes some of his alleged experiences with 13 and concerning plaintiff is the treatment for a screenplay which 14 he hopes to sell.

15 119. As described in paragraphs 100-103, <u>supra</u>, Armstrong 16 has, in concert with others, created a computer bulletin board 17 which has as its purpose facilitating continuous breaches of the 18 Agreement by electronic means.

19 120. As a direct and proximate result of Armstrong's breach of the Agreement by disclosing his experiences, by making media 20 21 appearances, by repeatedly providing assistance to litigants, 22 would-be claimants and their attorneys, and by creating and 23 operating FACTI, which breaches are persistent and continuing, CSI is and will continue to be irreparably harmed, and unless 24 25 Armstrong and those acting in concert with him are preliminarily 26 and permanently enjoined from continuing that unlawful conduct, further irreparable harm will be caused to CSI. 27 28 111

1	ON THE FIRST CAUSE OF ACTION
2	1. For compensatory and consequential damages according to
3	proof.
4	2. For attorneys' fees and costs of suit.
5	ON THE SECOND CAUSE OF ACTION
6	1. For liquidated damages in the amount of \$50,000.
7	2. For attorneys' fees and costs of suit.
8	ON THE THIRD CAUSE OF ACTION
9	1. For compensatory and consequential damages according to
10	proof.
11	2. For attorneys' fees and costs of suit.
12	ON THE FOURTH CAUSE OF ACTION
13	1. For liquidated damages in the amount of \$50,000.
14	2. For attorneys' fees and costs of suit.
15	ON THE FIFTH CAUSE OF ACTION
16	1. For liquidated damages in the amount of \$50,000.
17	2. For compensatory and consequential damages according to
18	proof.
19	3. For attorneys' fees and costs of suit.
20	ON THE SIXTH CAUSE OF ACTION
21	1. For liquidated damages in the amount of \$50,000.
22	2. For attorneys' fees and costs of suit.
23	ON THE SEVENTH CAUSE OF ACTION
24	1. For liquidated damages in the amount of \$250,000.
25	2. For attorneys' fees and costs of suit.
26	ON THE EIGHTH CAUSE OF ACTION
27	1. For liquidated damages in the amount of \$50,000.
28	2. For attorneys' fees and costs of suit.

l	ON THE NINTH CAUSE OF ACTION
2	1. For compensatory and consequential damages according to
3	proof.
4	2. For liquidated damages in the amount of \$50,000.
5	3. For attorneys' fees and costs of suit.
6	ON THE TENTH CAUSE OF ACTION
7	1. For compensatory and consequential damages according to
8	proof.
9	2. For attorneys' fees and costs of suit.
10	ON THE ELEVENTH CAUSE OF ACTION
11	1. For compensatory and consequential damages according to
12	proof.
13	2. For liquidated damages in the amount of \$50,000.
14	3. For attorneys' fees and costs of suit.
15	ON THE TWELFTH CAUSE OF ACTION
16	1. For compensatory and consequential damages according to
17	proof.
18	2. For attorneys' fees and costs of suit.
19	ON THE THIRTEENTH CAUSE OF ACTION
20	1. For liquidated damages of \$150,000, and further
21	liquidated damages according to proof.
22	2. For attorneys' fees and costs of suit.
23	ON THE FOURTEENTH CAUSE OF ACTION
24	1. For liquidated damages in the amount of \$950,000.
25	2. For attorneys' fees and costs of suit.
26	ON THE FIFTEENTH CAUSE OF ACTION
27	1. For liquidated damages in the amount of \$50,000.
28	2. For attorneys' fees and costs of suit.

1	ON THE SIXTEENTH CAUSE OF ACTION
2	1. For liquidated damages in the amount of \$50,000.
3	2. For attorneys' fees and costs of suit.
4	ON THE SEVENTEENTH CAUSE OF ACTION
5	1. For liquidated damages in the amount of \$50,000.
6	2. For attorneys' fees and costs of suit.
7	ON THE EIGHTEENTH CAUSE OF ACTION
8	1. For compensatory and consequential damages according to
9	proof.
10	2. For attorneys' fees and costs of suit.
11	ON THE NINETEENTH CAUSE OF ACTION
12	1. For liquidated damages in the amount of \$50,000.
13	2. For compensatory and consequential damages according to
14	proof.
15	3. For attorneys' fees and costs of suit.
16	ON THE TWENTIETH CAUSE OF ACTION
17	1. For a preliminary and permanent injunction prohibiting
18	and restraining all defendants, including Armstrong, from
19	violating any of the provisions of the Agreement, including the
20	provisions of paragraphs $7(D)$, $7(E)$, $7(G)$, $7(H)$ and $18(D)$.
21	///
22	111
23	111
24	///
25	111
26	///
27	111
28	
	31

l	ON ALL CAUSES OF ACTION
2	1. For such other and further relief as the Court may deem
3	just and proper.
4	DATED: April 4, 1994 BOWLES & MOXON
5	1 and
6	BY: Alland FIRA
7	Laurie J. Bartilson
8	Andrew H. Wilson WILSON, RYAN & CAMPILONGO
9	Attorneys for Plaintiff
10	CHURCH OF SCIENTOLOGY INTERNATIONAL
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VERIFICATION

I, LYNN R. FARNY, declare as	IOITOMS	;
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I am Secretary of the Plaintiff, Church of Scientology International, in the above-entitled matter. I have read the foregoing Verified Second Amended Complaint for Damages and for Preliminary and Permanent Injunctive Relief for Breach of Contract and know the contents thereof, which are true of my own knowledge except as to those matters which are stated on information and belief, and as to those matters, I believe them to be true.

I declare under the penalty of perjury pursuant to the laws
of the State of California that the foregoing is true and
correct.

Executed on April 4, 1994, at Los Angeles, California.

ANN R. FARNY

Oru



MUTUAL RELEASE OF ALL CLAIMS AND SETTLEMENT AGREEMENT

This Mutual Release of All Claims and Settlement 1. Agreement is made between Church of Scientology International (hereinafter "CSI") and Gerald Armstrong, (hereinafter "Plaintiff") Cross-Complainant in Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153. By this Agreement, Plaintiff hereby specifically waives and releases all claims he has or may have from the beginning of time to and including this date, including all causes of action of every kind and nature, known or unknown for acts and/or omissions against the officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel of CSI as well as the Church of Scientology of California, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Religious Technology Center, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; all Scientology and Scientology affiliated organizations and entities and their officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; Author Services, Inc., its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel; L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and its trustee; and Mary Sue Hubbard, (all hereinafter collectively referred to as the

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"Releasees"). The parties to this Agreement hereby agree as follows:

2. It is understood that this settlement is a compromise of doubtful and disputed claims, and that any payment is not to be construed, and is not intended, as an admission of liability on the part of any party to this Agreement, specifically, the Releasees, by whom liability has been and continues to be expressly denied. In executing this settlement Agreement, Plaintiff acknowledges that he has released the organizations, individuals and entities listed in the above paragraph, in addition to those defendants actually named in the above lawsuit, because among other reasons, they are third party beneficiaries of this Agreement.

3. Plaintiff has received payment of a certain monetary sum which is a portion of a total sum of money paid to his attorney, Michael J. Flynn. The total sum paid to Mr. Flynn is to settle all of the claims of Mr. Flynn's clients. Plaintiff's portion of said sum has been mutually agreed upon by Plaintiff and Michael J. Flynn. Plaintiff's signature below this paragraph acknowledges that Plaintiff is completely satisfied with the monetary consideration negotiated with and received by Michael J. Flynn. Plaintiff acknowledges that there has been a block settlement between Plaintiff's attorney, Michael J. Flynn, and the Church of Scientology and Churches and entities related to the Church of Scientology, concerning all of Mr. Flynn's clients who were in litigation with any Church of Scientology or related entity. Plaintiff has received a portion of this bloggk.

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amount, the receipt of which he hereby acknowledges. Plaintiff understands that this amount is only a portion of the block settlement amount. The exact settlement sum received by Plaintiff is known only to Plaintiff and his attorney, Michael J. Flynn, and it is their wish that this remain so and that this amount remain confidential.

Signature line for Gerald Armstrong

4. For and in consideration of the above described consideration, the mutual covenants, conditions and release contained herein, Plaintiff does hereby release, acquit and forever discharge, for himself, his heirs, successors, executors, administrators and assigns, the Releasees, including Church of Scientology of California, Church of Scientology International, Religious Technology Center, all Scientology and Scientology affiliated organizations and entities, Author Services, Inc. (and for each organization or entity, its officers, agents, representatives, employees, volunteers, directors, successors, assigns and legal counsel); L. Ron Hubbard, his heirs, beneficiaries, Estate and its executor; Author's Family Trust, its beneficiaries and trustee; and Mary Sue Hubbard, and each of them, of and from any and all claims, including, but not limited to, any claims or causes of action entitled Gerald Armstrong v. Church of Scientology of California, Los Angeles Superior Court, Case No. 420 153 and all demands, damages, actions and causes of actions of every kind and nature, known or whenown,

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for or because of any act or omission allegedly done by the Releasees, from the beginning of time to and including the date hereof. Therefore, Plaintiff does hereby authorize and direct his counsel to dismiss with prejudice his claims now pending in the above referenced action. The parties hereto will execute and cause to be filed a joint stipulation of dismissal in the form of the one attached hereto as Exhibit "A".

A. It is expressly understood by Plaintiff that this release and all of the terms thereof do not apply to the action brought by the Church of Scientology against Plaintiff for Conversion, Fraud and other causes of action, which action has already gone to trial and is presently pending before the Second District, Third Division of the California Appellate Court (Appeal No. B005912). The disposition of those claims are controlled by the provisions of the following paragraph hereinafter.

B. As of the date this settlement Agreement is executed, there is currently an appeal pending before the California Court of Appeal, Second Appellate District, Division 3, arising out of the above referenced action delineated as Appeal No. B005912. It is understood that this appeal arises out of the Church of Scientology's complaint against Plaintiff which is not settled herein. This appeal shall be maintained notwithstanding this Agreement. Plaintiff agrees to waive any rights he may have to take any further appeals from any decision eventually reached by the Court of Appeal or any rights he may have to oppose (by responding brief or any other means) any further appeals taken by the <u>Ch</u>urch of

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Scientology of California. The Church of Scientology of California shall have the right to file any further appeals it deems necessary.

5. For and in consideration of the mutual covenants, conditions and release contained herein, and Plaintiff dismissing with prejudice the action <u>Gerald Armstrong v.</u> <u>Church of Scientology of California</u>, Los Angeles Superior Court, Case No. 420 153, the Church of Scientology of California does hereby release, acquit and forever discharge for itself, successors and assigns, Gerald Armstrong, his agents, representatives, heirs, successors, assigns, legal counsel and estate and each of them, of and from any and all claims, causes of action, demands, damages and actions of every kind and nature, known or unknown, for or because of any act or omission allegedly done by Gerald Armstrong from the beginning of time to and including the date hereof.

6. In executing this Agreement, the parties hereto, and each of them, agree to and do hereby waive and relinquish all rights and benefits afforded under the provisions of Section 1542 of the Civil Code of the State of California, which provides as follows:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his favor at the time of executing the release, which if known by him must have materially affected his settlement with the debtor."

7. Further, the undersigned hereby agree to the following:

A. The liability for all claims is expressly denied by the parties herein released, and this final compromise and

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settlement thereof shall never be treated as an admission of liability or responsibility at any time for any purpose.

B. Plaintiff has been fully advised and understands that the alleged injuries sustained by him are of such character that the full extent and type of injuries may not be known at the date hereof, and it is further understood that said alleged injuries, whether known or unknown at the date hereof, might possibly become progressively worse and that as a result, further damages may be sustained by Plaintiff; nevertheless, Plaintiff desires by this document to forever and fully release the Releasees. Plaintiff understands that by the execution of this release no further claims arising out of his experience with, or actions by, the Releasees, from the beginning of time to and including the date hereof, which may now exist or which may exist in the future may ever be asserted by him or on his behalf, against the Releasees.

C. Plaintiff agrees to assume responsibility for the payment of any attorney fee, lien or liens, imposed against him past, present, or future, known or unknown, by any person, firm, corporation or governmental entity or agency as a result of, or growing out of any of the matters referred to in this release. Plaintiff further agrees to hold harmless the parties herein released, and each of them, of and from any liability arising therefrom.

D. Plaintiff agrees never to create or publish or attempt to publish, and/or assist another to create for publication by means of magazine, article, book or other

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similar form, any writing or to broadcast or to assist another to create, write, film or video tape or audio tape any show, program or movie, or to grant interviews or discuss with others, concerning their experiences with the Church of Scientology, or concerning their personal or indirectly acquired knowledge or information concerning the Church of Scientology, L. Ron Hubbard or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff further agrees that he will maintain strict confidentiality and silence with respect to his experiences with the Church of Scientology and any knowledge or information he may have concerning the Church of Scientology, L. Ron Hubbard, or any of the organizations, individuals and entities listed in Paragraph 1 above. Plaintiff expressly understands that the non-disclosure provisions of this subparagraph shall apply, inter alia, but not be limited, to the contents or substance of his complaint on file in the action referred to in Paragraph 1 hereinabove or any documents as defined in Appendix "A" to this Agreement, including but not limited to any tapes, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard, or any of the organizations, individuals, or entities listed in Paragraph 1 above. The attorneys for Plaintiff, subject to the ethical limitations restraining them as promulgated by the state or federal regulatory associations or agencies, agree not to disclose any of the terms and conditions of the settlement negotiations, amount of the

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settlement, or statements made by either party during settlement conferences. Plaintiff agrees that if the terms of this paragraph are breached by him, that CSI and the other Releasees would be entitled to liquidated damages in the amount of \$50,000 for each such breach. All monies received to induce or in payment for a breach of this Agreement, or any part thereof, shall be held in a constructive trust pending the outcome of any litigation over said breach. The amount of liquidated damages herein is an estimate of the damages that each party would suffer in the event this Agreement is breached. The reasonableness of the amount of such damages are hereto acknowledged by Plaintiff.

E. With exception to the items specified in Paragraph 7(L), Plaintiff agrees to return to the Church of Scientology International at the time of the consummation of this Agreement, all materials in his possession, custody or control (or within the possession, custody or control of his attorney, as well as third parties who are in possession of the described documents), of any nature, including originals and all copies or summaries of documents defined in Appendix "A" to this Agreement, including but not limited to any tapes, computer disks, films, photographs, recastings, variations or copies of any such materials which concern or relate to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above, all evidence of any nature, including evidence obtained from the named defendants through discovery, acquired for the purposes of this lawsuit or any lawsuit, or acquired for any other purpose

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concerning any Church of Scientology, any financial or administrative materials concerning any Church of Scientology, and any materials relating personally to L. Ron Hubbard, his family, or his estate. In addition to the documents and other items to be returned to the Church of Scientology International listed above and in Appendix "A", Plaintiff agrees to return the following:

(a) All originals and copies of the manuscript for the work "Excalibur" written by L. Ron Hubbard;

(b) All originals and copies of documents commonly known as the "Affirmations" written by L. Ron Hubbard; and

(c) All documents and other items surrendered to the Court by Plaintiff and his attorneys pursuant to Judge Cole's orders of August 24, 1982 and September 4, 1982 and all documents and other items taken by the Plaintiff from either the Church of Scientology or Omar Garrison. This includes all documents and items entered into evidence or marked for identification in Church of Scientology of California v. Gerald Armstrong, Case No. C 420 153. Plaintiff and his attorney will execute a Joint Stipulation or such other documents as are necessary to obtain these documents from the Court. In the event any documents or other items are no longer in the custody or control of the Los Angeles Superior Court, Plaintiff and his counsel will assist the Church in recovering these documents as quickly as possible, including but not limited to those tapes and other documents now in the possession of the United States District Court in the case of United States v. Zolin, Case No. CV

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85-0440-HLH(Tx), presently on appeal in the Ninth Circuit Court of Appeals. In the event any of these documents are currently lodged with the Court of Appeal, Plaintiff and his attorneys will cooperate in recovering those documents as soon as the Court of Appeal issues a decision on the pending appeal.

To the extent that Plaintiff does not possess or control documents within categories A-C above, Plaintiff recognizes his continuing duty to return to CSI any and all documents that fall within categories A-C above which do in the future come into his possession or control.

F. Plaintiff agrees that he will never again seek or obtain spiritual counselling or training or any other service from any Church of Scientology, Scientologist, Dianetics or Scientology auditor, Scientology minister, Mission of Scientology, Scientology organization or Scientology affiliated organization.

G. Plaintiff agrees that he will not voluntarily assist or cooperate with any person adverse to Scientology in any proceeding against any of the Scientology organizations, individuals, or entities listed in Paragraph 1 above. Plaintiff also agrees that he will not cooperate in any manner with any organizations aligned against Scientology.

H. Plaintiff agrees not to testify or otherwise participate in any other judicial, administrative or legislative proceeding adverse to Scientology or any of the Scientology Churches, individuals or entities listed in Paragraph 1 above unless compelled to do so by lawful subpoena or other lawful process. Plaintiff shall not make

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himself amenable to service of any such subpoena in a manner which invalidates the intent of this provision. Unless required to do so by such subpoena, Plaintiff agrees not to discuss this litigation or his experiences with and knowledge of the Church with anyone other than members of his immediate family. As provided hereinafter in Paragraph 18(d), the contents of this Agreement may not be disclosed.

I. The parties hereto agree that in the event of any future litigation between Plaintiff and any of the organizations, individuals or entities listed in Paragraph 1 above, that any past action or activity, either alleged in this lawsuit or activity similar in fact to the evidence that was developed during the course of this lawsuit, will not be used by either party against the other in any future litigation. In other words, the "slate" is wiped clean concerning past actions by any party.

J. It is expressly understood and agreed by Plaintiff that any dispute between Plaintiff and his counsel as to the proper division of the sum paid to Plaintiff by his attorney of record is between Plaintiff and his attorney of record and shall in no way affect the validity of this Mutual Release of All Claims and Settlement Agreement.

K. Plaintiff hereby acknowledges and affirms that he is not under the influence of any drug, narcotic, alcohol or other mind-influencing substance, condition or ailment such that his ability to fully understand the meaning of this Agreement and the significance thereof is adversely affected.

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L. Notwithstanding the provisions of Paragraph 7(E) above, Plaintiff shall be entitled to retain any artwork created by him which concerns or relates to the religion of Scientology, L. Ron Hubbard or any of the organizations, individuals or entities listed in Paragraph 1 above provided that such artwork never be disclosed either directly or indirectly, to anyone. In the event of a disclosure in breach of this Paragraph 7(L), Plaintiff shall be subject to the liquidated damages and constructive trust provisions of Paragraph 7(D) for each such breach.

8. Plaintiff further agrees that he waives and relinquishes any right or claim arising out of the conduct of any defendant in this case to date, including any of the organizations, individuals or entities as set forth in Paragraph 1 above, and the named defendants waive and relinquish any right or claim arising out of the conduct of Plaintiff to date.

9. This Mutual Release of All Claims and Settlement Agreement contains the entire agreement between the parties hereto, and the terms of this Agreement are contractual and not a mere recital. This Agreement may be amended only by a written instrument executed by Plaintiff and CSI. The parties hereto have carefully read and understand the contents of this Mutual Release of All Claims and Settlement Agreement and sign the same of their own free will, and it is the intention of the parties to be legally bound hereby. No other prior or contemporaneous agreements, oral or written, respecting such matters, which are not specifically

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incorporated herein shall be deemed to in any way exist or bind any of the parties hereto.

10. Plaintiff agrees that he will not assist or advise anyone, including individuals, partnerships, associations, corporations, or governmental agencies contemplating any claim or engaged in litigation or involved in or contemplating any activity adverse to the interests of any entity or class of persons listed above in Paragraph 1 of this Agreement.

11. The parties to this Agreement acknowledge the following:

A. That all parties enter into this Agreement freely, voluntarily, knowingly and willingly, without any threats, intimidation or pressure of any kind whatsoever and voluntarily execute this Agreement of their own free will;

B. That all parties have conducted sufficient deliberation and investigation, either personally or through other sources of their own choosing, and have obtained advice of counsel regarding the terms and conditions set forth herein, so that they may intelligently exercise their own judgment in deciding whether or not to execute this Agreement; and

C. That all parties have carefully read this Agreement and understand the contents thereof and that each reference in this Agreement to any party includes successors, assigns, principals, agents and employees thereof.

12. Each party shall bear its respective costs with respect to the negotiation and drafting of this Agreement and

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all acts required by the terms hereof to be undertaken and performed by that party.

13. To the extent that this Agreement inures to the benefit of persons or entities not signatories hereto, this Agreement is hereby declared to be made for their respective benefits and uses.

14. The parties shall execute and deliver all documents and perform all further acts that may be reasonably necessary to effectuate the provisions of this Agreement.

15. This Agreement shall not be construed against the party preparing it, but shall be construed as if both parties prepared this Agreement. This Agreement shall be construed and enforced in accordance with the laws of the State of California.

16. In the event any provision hereof be unenforceable, such provision shall not affect the enforceability of any other provision hereof.

17. All references to the plural shall include the singular and all references to the singular shall include the plural. All references to gender shall include both the masculine and feminine.

18.(A) Each party warrants that they have received independent legal advice from their attorneys with respect to the advisability of making the settlement provided for herein and in executing this Agreement.

(B) The parties hereto (including any officer, agent, employee, representative or attorney of or for any party) acknowledge that they have not made any statement, as

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representation or promise to the other party regarding any fact material to this Agreement except as expressly set forth herein. Furthermore, except as expressly stated in this Agreement, the parties in executing this Agreement do not rely upon any statement, representation or promise by the other party (or of any officer, agent, employee, representative or attorney for the other party).

(C) The persons signing this Agreement have the full right and authority to enter into this Agreement on behalf of the parties for whom they are signing.

(D) The parties hereto and their respective attorneys each agree not to disclose the contents of this executed Agreement. Nothing herein shall be construed to prevent any party hereto or his respective attorney from stating that this civil action has been settled in its entirety.

(E) The parties further agree to forbear and refrain from doing any act or exercising any right, whether existing now or in the future, which act or exercise is inconsistent with this Agreement.

19. Plaintiff has been fully advised by his counsel as to the contents of this document and each provision hereof. Plaintiff hereby authorizes and directs his counsel to dismiss with prejudice his claims now pending in the action entitled <u>Gerald Armstrong v. Church of Scientology of</u> <u>California</u>, Los Angeles Superior Court, Case No. 420 153.

20. Notwithstanding the dismissal of the lawsuit pursuant to Paragraph 4 of this Agreement, the parties hereto agree that the Los Angeles Superior Court shall retain

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jurisdiction to enforce the terms of this Agreement. This Agreement may be enforced by any legal or equitable remedy, including but not limited to injunctive relief or declaratory judgment where appropriate. In the event any party to this Agreement institutes any action to preserve, to protect or to enforce any right or benefit created hereunder, the prevailing party in any such action shall be entitled to the costs of suit and reasonable attorney's fees.

21. This Agreement may be executed in two or more counterparts, each of which shall be deemed to be a duplicate original, but all of which, together, shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, on the date opposite their names.

Dated: December 6, 198

GERALD ARMSTRONG

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Dated: 12/6/80

APPROVED AS TO FORM AND CONTENT:

MICHAEL J. FLYNN Attorney for GERALD ARMSTRONG

CHURCH OF SCIENTOLOGY INTERNATIONAL

Dated Bcambia, 11, 1986

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APPENDIX A

1. As used herein, the term "document" or "documents" include but are not limited to all originals, file copies and copies not identical to the original, no matter how prepared, of all writings, papers, notes, records, books and other tangible things including, by way of example and not of limitation, tha following:

a. Memoranda, notes, calendars, appointment books, shorthand or stenographer's notebooks, correspondence, letters and telegrams, whether received, sent, filed or maintained internally;

b. Drafts and notes, whether typed, penciled or otherwise; whether or not used;

c. Minutes, reports and summaries of meetings;

d. Contracts, agreements, understandings, commitments, proposals and other business dealings;

e. Recordings, transcriptions and memoranda or notes made of any telephone or face-to-face oral conversations between or among persons;

f. Dictated tapes or other sound recordings;

g. Computer printouts or reports and the applicable program or programs therefor;

h. Tapes, cards or any other means by which data are stored or preserved electrically, electronically, magnetically or mechanically, and the applicable program or program therefor (from which plaintiff may reproduce or cause to be reproduced such data in written form);

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i. Pictures, drawings, photographs, charts or other graphic representations;

j. Checks, bills, notes, receipts, or other evidence of payment;

k. Ledgers, journals, financial statements, accounting records, operating statements, balance sheets and statements of account.

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WHERE: Marin Superior Court, San Rafael Civic Center -Scientology VS. Armstrong No. 152229

March 20, 1992 at 9:00 a.m., Department 4.

* * * * * *

Can the Scientology Organization purchase the free speech rights of Gerald Armstrong - the former in-house biography researcher/archivist of cult leader I. Ron Hubbard - so that it can keep the facts that he knows out of public view in the marketplace of ideas?

A former high-ranking Scientologist for 12 years, Armstrong split with the group when it insisted he continue lying about the accomplishments Hubbard claimed to the public at large. In 1982, the organization such Armstrong for sending Hubbard documents to his lawyers. In 1984 at Armstrong's trial, Los Angeles Superior Court judge Paul G. Breckenridge, Jr., who ruled that Armstrong's actions had been manifestly justified, also found:

"In addition to violating and abusing its own members civil rights, the organization over the years with its "Fair Game" doctrine has harassed and abused these persons not in the Church whom it perceives as encaies. The <u>organization is clearly schizophrenic and paranoid</u>, and this bisarre combination seems to be a reflection of its founder LRH [L. Ron Hubbard]. The evidence portrays a man who has been virtually a <u>pathological</u> <u>liar</u> when it comes to his history, background, and achievements. The writings and documents in evidence additionally reflect his <u>acoise. creed. averice. lust</u> for power. and vindictiveness and <u>accressiveness</u> <u>against parsons percaived by him to be disloyal or</u> hostile."

For years, Scientology has treated Armstrong as a "suppressive person" Who was "Fair Game." This policy says as Fair Game one

"may be deprived of property or injured by any means by any Scientologist without any discipline of the Scientologist. May be tricked, such or lied to or destroyed." Defended by Ford Greene - the lawyer who persuaded the California Supreme Court that the Unification Church (Moonies) should be liable for brainwashing and who won an acquittal for a felonious-charged deprogrammer on the ground that the kidnapping was necessary to avoid cult-danger - Armstrong is resisting Scientology's high-powered attack in an effort to affirm his right to free speech to maintain vigilance for the truth.

After Armstrong beat Scientology's lawsuit against him in 1984, he was poised to prosecute his own claims. For millions of dollars, however, in 1986 Scientology settled with him and over 17 other scientology-knowledgeable individuals on the condition that those persons would forever keep silent, avoid giving sworn testimeny by evading subpoense, and never aid or assist any one adverse to Scientology.

Between its full-page daily ads in U.S.A. Today and purchasing the silence of judicially-credible adversarias, Scientology's strategy is to eliminate the competition in the marketplace of ideas for those who would swallow the claims of its widespread advertisements for the benefits of <u>Diameticas</u>. The Science of Metal Health.

Scientelogy has demanded that newly-alevated Marin County suparior Court judge Michael Dufficy give them a preliminary injunction which would prevent Armstrong from speaking out and assisting other individuals locked in litigation with Scientology - while at the same time fabricating false scenarios in other court proceedings that Armstrong was an agent of the IRS out to destroy it. If Scientology has its way, Armstrong would either roll over, or if he exposed its lies about him, Scientology would demand he be jailed for contempt of court.

When Scientology first came to Marin County to go after Armstrong, it asked the Court to conduct all proceedings in secret in closed proceedings. The Court refused. Then Scientology asked the Court to seal the settlement agreement that Scientology wants the Court to enforce. The Court refused. Now, Scientology has obtained a temporary restraining order compelling Armstrong not to speak out on the subject of Scientology. Scientology would like to make it permanent and will attempt to do just that at the March 20th Marin Superior Court hearing.

FOR FURTHER INFORMATION CALL:

KIRK SEIDEL, Press Liaison (415) 457-5711

FORD GREENE (415) 258-0360

EXHIBIT C

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[SHOT: Studio setting]

NARRATOR: A former member of the Church of Scientology claims he has damaging information about the organization, but he's being silenced by a Court Order. Don Nab explains.

[CNN CAPTION: SCIENTOLOGY.]

[SHOT: Close up of Armstrong with Ford Greene behind him. Then a pan of the courtroom, with attorney Andy Wilson arguing and a shot of the Judge.]

Don Nab: Gerald Armstrong says he knows a lot about the Church of Scientology and he's fighting in court for the chance to tell it. A former archivist of the organization he had first hand access to records of Scientology's controversial founder, L. Ron Hubbard.

[SHOT: Close up of Armstrong in an office. Don Nab narrating]

Gerald Armstrong: I'm an expert in the misrepresentations Hubbard has made about himself from the beginning of Dianetics until the day he died.

Don Nab: But that's about all that he can say, legally. The Church of Scientology slapped Armstrong with a Court Order to prevent him from talking about what he may know.

[SHOT: Excerpt of Video tape of 1986 settlement signing.]

Heller: You are going to sign this of your own free will.

Armstrong: Yes.

[CNN caption: December 1986.]

Heller: OK. You're not suffering from any duress or coersion which is compelling you to sign this document.

[CNN CAPTION: Video provided by Anti-Scientology Attorney.]

Armstrong: No.

Heller: Alright, ...

Don Nab: As part of the lawsuit settlement documented by Scientology on this video tape, the Church paid Armstrong \$800,000. In that settlement Armstrong agreed not talk about the Church, it's documents, or its founder.

[1ST SHOT: Wilson and Hertzberg sitting at counsel table.] [2ND SHOT: Greene arguing at counsel table.]

Don Nab: Now, the Church of Scientology wants to block Armstrong from working with anti-Scientology attorney, Ford Greene.

Ford Greene: Gerald Armstrong possesses information about the Church of Scientology on first-hand basis that undercuts a lot of the claims that they make to the public on a daily basis in advertisements on TV and advertisements in newspapers.

[CNN CAPTION: Ford Greene, Anti-Scientology Attorney.]

[SHOT: Bartilson at counsel table with a stack of papers.]

Don Nab: Greene hired Armstrong as a paralegal, to help him with a lawsuit against Scientology in Los Angeles.

[SHOT: Wilson arguing at counsel table.]

Don Nab: Attorneys for the Church of Scientology claimed that Armstrong was breaking his settlement contract.

Andy Wilson: \$800,000. \$800,000 was paid to that man. And now that he's spent the money, he comes into this court and he says, "I don't have to keep my part of the bargain."

[CNN CAPTION: Andrew Wilson, Scientology Attorney.]

[SHOT: Judge Dufficy at Bench.]

Don Nab: Scientology won this round. The gag on Armstrong remains, for now.

[SHOT: Close up of Armstrong at counsel table.]

Don Nab: Armstrong is not alone. 12 former Scientology members have accepted money to settle lawsuits with the Church.

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[SHOT: Pleading packs on counsel table.]

Don Nab: The settlements included, promises to remain quiet and take no part in further litigation against the Church.

[SHOT: Greene in law office.]

Ford Greene: It'll be extremely damaging because Scientology has spent a whole ton of dough, on keeping not only Gerry silent but a lot of other people silent. And if Gerry's case unravels, it's the first domino, and all the rest of them are going to unravel ...

[SHOT: Green in law office with interviewer.]

Don Nab: Attorney Greene says, Armstrong's knowledge of Scientology can prove the Church is not what it says it is.

[SHOT: Outside of the Courtroom. Armstrong and Phippeny prominent.]

Don Nab: Scientology says, Armstrong accepted a lot of money not to discuss the Church and should keep his word. Don Nab, CNN, San Raphael, California.

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GERRY ARMJIRONG VIDEO INTERVIEW 6 NOVEMBER 1992

S = Spanky Taylor
G = Gerry Armstrong
J = Jerry Whitfield

S: We're here with Gerry Armstrong on the 6th of November 1992. Hi, Gerry.

G: Hi, Spanky.

S: Basically, what we're doing here is I want to find out a little bit about your Scientology experience, or, more than a little bit -- as much as we can, starting from when you got involved.

G: Ok.

S: So, tell me about that first.

G: I got involved in 1969 in Vancouver, British Columbia, Canada. And ... I spent a year and a half...

S: How old were you then?

G: Twenty-two. Spent about a year and a half in Vancouver. Worked in the local franchise, Scientology Little Mountain. And then in the beginning of '71 went off to save the world. Joined the Sea Org. Flew to LA. And was ... Signed my Sea Org contract at what was USLO. Then was on board the Bolivar, stationship down -- not exactly sure where it was...

S: San Pedro?

G: San Pedro, right. Then...

S: I loved the Bolivar.

G: And then by mid-February '71 was flown to New York, Madrid. Madrid took a train down to Algeciras. Algeciras across by ferry to Tangiers. There sitting in the Tangier harbor was the Apollo. I stayed on board except for brief missions off the ship or sometimes I'd go ashore for brief periods. But was on board 'til the fall of 1975. And we were, in those years, in Portugal, Morocco, Spain, and the little Atlantic islands -- Madeira, the Canarys, and then we made a circuit to the Caribbean islands -- Bermuda, Bahamas, Jamaica, Trinidad, Barbados, Netherlands Antilles.

S: Sounds like a Beach Boys saga. (Laughter) And you knew LRH?

G: Uh huh.

S: You married, your first marriage was... you married on Flag.

G: Yeah. I married his head messenger. Terry Gillham. Young Terry. She was a pretty good catch.

S: She was. She was.

G: I was organizationally a social climber. I really was. It just worked out that way, you know, I was in the right place at the right time I guess.

S: You had quite the wedding. I remember the photos very well.

G: Yeah? Yeah, I had a big double wedding along with Pat and Trudy Broeker.

S: That's right.

G: And through most of my time on board the ship I was the Legal Officer. We called it the Ship's Representative. I dealt with Immigration, Customs, and the Police and Harbor Master and handled all the needs of the ship while in port. And then I was the Public Relation's Officer Port Captain for a period of time. And then I was the Intelligence Officer through our time in the Caribbean. And when we went ashore, landed in Daytona, I was the Intelligence Officer again at the staging area for the Clearwater base which we had in Daytona at that time.

J: What's an Intelligence Officer?

G: Well...

S: It's a

G: ... they were talking about ...

S: ... jumbo shrimp, what are those things called oxymorons?

G: Espionage. It's a Hubbard patterned -- his intelligence system, after Nazi system. Perfected, created, developed by Reinhardt Gehlen. And I was one person within a giant network of intelligence personnel operated by the Guardian's Office who were in turn operated by the Guardian, Mary Sue Hubbard, and L. Ron Hubbard. He merely directed on his long distance communication lines all the intelligence operations internationally.

J: What kind of intelligence operations -- we're talking

about a church who has intelligence operations, a church with intelligence operations? Is that what you're saying? And you were there, you were involved in that? Is that what I'm hearing?

G: Right. Now I have a different perspective of course and I don't consider Scientology by any definition a "church" other than the fact that they have edifices -- buildings -- which could, if the activities therein were to change, could be churches. But the organization itself is not a church. But it's undeniable that it had intelligence organization and has been described as outside of the FBI and the CIA, the most formidable intelligence organization operating on the North American continent.

S: At this time, in the early times when you on the ship, you knew the offspring of L. Ron Hubbard. You knew his kids, as well?

G: Right.

S: Quentin and Diana, Arch and Suzette.

G: Right.

S: Tell me a little about them. I mean, you know, were they happy, were they well educated, were they ... because, of course, they were the offspring of this man with this tremendous wealth, did they receive the best of possible educations, did they lead a privileged life in terms of the...what was accessible to them in terms of in a society type of sense in terms of their education and their upbringing. Did they attend the finest finishing schools? Were they ... was Diana Hubbard a debutante. Do you know what I mean? Tell us about that.

G: I think she could have been a debutante but I don't think she was. I think that all the kids were pretty real in their own way, given the environment in which they found themselves and given the very odd circumstances of growing up in the Sea Organization. I suppose that the one I got closest to was Arthur. Arthur and I sort of ran tandem Sea Watch, or rather, gangway Quarter Master Watch for quite a period of time so I had the task of waking him up. He was pretty young at the time, maybe 13 or 14, I don't quite remember. It was always difficult waking him up and he would pull rank a little bit in that I didn't want to make too much noise waking him up in his cabin and there was always the threat that if you did anything out of line at all, Ron...

S: Son of Ron.

G: Son of Source.

S: Right, son of Source. Aauugh. That word.

G: But all of them, I was on Diana's Sea Watch and she was a good Conning Officer. I think that all of the kids were intelligent and I think that they were all decent, good people.

S: Happy? Unhappy?

G: I think both. You know, happy at times, unhappy at times.

S: Sort of normal then.

G: Pretty normal.

S: And Quentin?

G: Quentin, I think much the same thing. He probably was the oddest of the lot, relative to the Sea Org experience. But we got along fine. I always found him to be perhaps the most understanding, in a way, in almost as if he had ...

S: Sensitive?

G: Yeah, sensitive. compassionate. Didn't pull rank and wasn't threatening in any way.

S: So then you were at Daytona when the base was originally moved there.

G: Uh huh.

S: And from that point.

G: Then we moved to Dunedin. At that point I was busted from the Guardian's Office. I was in the Guardian's Office Intelligence Bureau. And Mary Sue or Nikki who was her communicator deemed me a security risk of some kind and so I was removed from the Guardian's Office and I was assigned to Hubbard's Communication Bureau. So I became what was called the Deputy LRH External Communications Aide when we moved to Dunedin which was in December of 1975 and we had a secret base for Hubbard and his personal staff and Mary Sue and her personal staff at Dunedin in an apartment complex I guess about maybe eight miles from Clearwater. And I stayed there until June of '76 at which time I was sent to Culver City here in Los Angeles to set up a staging area for what became the base that was built in La Quinta.

And I was only there for a brief amount of time. I was there to set up this unit along with three other messengers. And Hubbard arrived, Mary Sue Hubbard arrived, and then I had a fight with Nikki, and Hubbard then assigned me -- first I was taken out of that unit and I was kept locked up at the Intelligence Bureau in the Fifield Manor in Los Angeles.

J: You were locked up?

G: Right. I was kept under guard for a couple of weeks.

S: Which is where that Guardian's Office had moved to.

G: Right. The Intelligence Bureau of the G.O. was there. I was picked up by the D/Guardian for Intelligence Dick Weigand.

J: Isn't that falsely (sic) imprisonment. Isn't that illegal?

G: Yeah. It was clearly false imprisonment.

S: At this point do you feel much of what you had done had been illegal? On some level or another?

J: For Scientology.

G: Personally?

S: That you had done personally.

G: I clearly had been involved in some illegalities while... especially while I was on the ship. Smuggling things on and off and...

J: What kind of things? Money, drugs? Weapons?

G: We did move a lot of money around. Briefcases...

J: Go on.

G: Briefcases of money that were brought to the ship. Booze, cigarettes, that sort of stuff taken off the ship and run through Customs. And other things that were just done sort of borderline activities. But I was willing to do those sorts of things at that time and I considered that I was doing ...it was the greatest good for the greatest number.

S: When you were working in Intelligence did you ... were you involved with any "dirty tricks" against other Scientologists or other staff members?

G: I was aware of dirty tricks against staff members and I was aware of the way the Guardian's Office Intelligence Bureau worked to some degree because I had a lot of the policies. I had the Guardian's Office Intelligence hat, the Intelligence Manual which trained people to lie and steal and create false identities and harrass the enemy.

J: Why would a church need to do that?

G: Well, a church doesn't need to do that, but Scientology's not a church.

J: Why would Scientology feel the need to be involved in that kind of activity?

G: Because Hubbard was afraid and his idea on dealing with enemies was to attack them. One of the ways that he attacked them was through covert means.

J: Why would a man as great as Hubbard who had THE technology to save the world, have to fear anyone?

G: Well, he didn't have the technology to save the world and he simply had fear because he had fear and he was never able to triumph over his fear, so he put his trust in attacking people as opposed to doing the rational things in life and he also had reason to fear because he had falsified his credentials, he had lied about his life and he was afraid of being exposed and he had also lied and cheated for many years. He knew that there were people around who knew what he really was.

S: Now how did you come to find this out?

J: Can I ask one question? Answer that but answer this one first because you've got me really interested. If Scientology could do what it says it could do, would you still be in it? If it had the technology to do what it says, would you still be in anything?

G: In answering that question you'd have to...if you assumed that if it could do what it says it could do it would have a different form from what it is, then the answer might be yes. But both things would have to be true. It would have to deliver and it would have to be different from its present form opposed from the form which I came to know and understand.

J: Thanks. That's what I wanted to know. Go ahead with Spanky. How did you find out this?

S: How did you come to know that in fact Hubbard had fabricated his credentials, had in fact developed this tremendous fear that he had of being found out, had this paranoia?

J: What credentials? What would he do when found out?

G: I guess the process of that discovery began when I first got involved with the Sea Organization. Of course I worked with the man for quite a period of time. I shot gnus with him in the desert after we left the ship. He twice assigned me to the RPF. I talked to many people about him. I read hundreds of thousands of his words. I listened to him and listened to his tapes so I had a great understanding before I ever came to the realization that what I'd been led to understand was false, but I needed that great understanding I think in order to know what the falsities were. But I was, I considered, quite fortunate in that in the beginning of 1980 and we then were in Gilman Hot Springs and there was a threat of a raid and we were required to go through...each person had to go through his...all papers in his area, whatever post he was on, and all personal papers, and destroy anything which showed Hubbard's control of the organization, anything which showed his intent to live at the Gilman Hot Springs' property, anything which showed his control of organization finances.

S: So now in January of '80 isn't that when, as far as the rest of the staff at the other organizations knew, L. Ron Hubbard went off the lines, so to speak, January '80 he was like... Did he in fact go off the line or was it just made to look like he went off the line at that point? Cause if what you're saying, if I'm following you correctly, do you know, there was this perception that he was now gone and had cut ties to the actual on-hands running of the organization.

G: Well, it's...part of that is true. There had been a gradual decrease, I would say, of his hands-on involvement, but even though he left from the location that he was at the beginning of 1980, he continued to run the organization. He just continued to run through a different conduit.

S: Now, so you went through the papers within your own specific area. Was this prior to your being assigned to the biography project?

G: No, this is what the biography project came out of. Because in the process of going through my things I was at that time responsible for the Household Unit at the Gilman Hot Springs property. One of my juniors was responsible for all of L. Ron Hubbard's stuff -- his personal effects which were stored at the Gilman property. She came to me with a box of very old materials, very old papers, and asked if they should be shredded. I looked through this stuff and saw that it all predated Dianetics so thought, it should be no risk whatsoever. It has nothing to do with his running the organization. So, I also saw that it had great historical value. And when we then began to look over inventories, began to go through his stuff we uncovered some 20 boxes of similar

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material. And I knew that this stuff, could form the basis for a library and was incredibly valuable for its history and just as original documents, and that it would form the basis for a biography. So, it was at that time that I petitioned Hubbard to be able to collect this stuff up to preserve it and to contract with an outside writer to do the biography.

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He approved the petition in January '80. And then we communicated another couple of times before I then did not have what was that direct comm line to him, communication line. We could then no longer admit to a communication line to him. It still was there but we could not use it for fear of civil litigants or the government then being able to subpeona him.

S: As he was under a lot of legal threat.

G: Right.

S: Domestically, at that time, right?

G: Right.

J: Why would L. Ron Hubbard be under legal threat?

G: Because he controlled the organization.

J: What's wrong with that?

G: And because the organization was involved in criminal and tortious activities.

S: I think additionally the church had, was also under tremendous legal stress in terms of people who were filing suit against the church now for fraud. There were attempts made to name L. Ron Hubbard in a suit, to actually serve him or subpeona him which is when he sort of "poof."

G: Right.

S: Disappeared.

J: So he disappeared, he ran and hid.

G: Right.

J: So, hiding is pretty down on the tone scale.

S: So I hear, honey.

J: But that's what the great L. Ron Hubbard was doing. You were there and that's what you saw.

G: Yeah. I mean he did hide.

J: I'm not trying -- it's just very difficult, the reason I'm saying this, it's very difficult for somebody who's in Scientology to conceive that the great L. Ron Hubbard whom they've never met, but have only heard these wonderful things about, to even perceive or comprehend that this might have been ... might have occurred with this man. How can this man be human? He's not human. He was L. Ron Hubbard. The reason that we're doing this interview is so that other people can know. It's very easy for a non-Scientologist to understand those things. It's very difficult for a Scientologist because Scientologists don't get the type of information that non-Scientologists get. And yet you were there. You knew him. You worked with him for probably 15 years or so.

G: I was in the Sea Org for 11 years.

S: And Gerry, backing up a bit, you saw him as a fallible human being, am I correct?

G: Yeah.

S: I mean he had had illnesses.

G: Right.

S: A great many illnesses, a few illnesses?

G: Quite a few.

S: I know that he had these horrendous allergies which when we refer to them we would be heavily reprimanded and corrected and told they were not allergies they were sensitivities. (laughs) You know there was a brilliant way of sort of smoothing over things.

G: Right. Right. He continued to wear clothes when he was stark naked. Right.

S: Oh, yes. Yes, of course.

G: And we all did that in our own mind, and we all stopped ourselves from thinking critical thoughts of L. Ron Hubbard. We really didn't do him much of a favor because he really was human in every way.

S: Yes. Do you feel that the mindset of the group of -- all of the adoration that L. Ron Hubbard received, contributed to his delusion? Or do you feel that he imposed the delusion upon the group? Or do you think it's kind of 50/50? G: There's no doubt that he was in control. And there's ... we did not control L. Ron Hubbard. And although he could have become the effect of his own lust for control, and his own greed and his own avarice, so he created his sycophants. And the effect of... often of what you create may not be that pleasant so he did create his own prison.

S: Ok. So now you contracted with Omar Garrison, am I correct, to do the writing of this book which you were researching?

G: Yeah, beginning in January, I collected up the materials from the Gilman Hot Springs property.

S: Several boxes of materials.

G: Right.

J: This was in '80 or '81?

G: '80, beginning of '80. And then shortly after that I moved them to Los Angeles and I began to add to them. I travelled around, travelled up and down the west coast and I bought collections, other people's collections of Hubbard materials. I interviewed a number of people, his other living relatives.

J: L. Ron Hubbard, Jr.?

G: Yeah.

J: His ex-wife?

S: Sarah Nordstrom. (sic)

G: No. No, I didn't talk to Sara. I talked to Sara after that project was over.

J: His daughter Alexis?

G: I spoke to her as well some time later. I spoke to his living aunt, living uncle.

J: That was his...

G: Yeah. It was good. Good. And they really saw him for what he was, as well. They knew him in a real manner. They knew that he was a big storyteller.

S: Now, at this time you're going around talking to these people and I presume verifying his various degrees and his education credentials, etc. And you're starting to see holes in these stories, right? At this point, it's still 1980, are you going, whoa. This guy's full of shit. Or are you going, oh, something's wrong here? Or -- I mean I know so many people within the church, despite the fact that these claims and the intros to these books and L. Ron Hubbard's past, you know, and he's been killed three times and come back to life and born of a Virgin Mother or whatever the hell it is, they consider that these things are factual. He was a war hero. He did have these degrees. And that the government with a conspiracy against Scientology has gone in an altered all this information. Do you know what I mean? It's like, to continue their own delusion of what was what.

Now, at this point in 1980 were you still buying the story or would you concerned, you know, in terms of the validity of any of that?

G: There were a couple of steps in the process. Initially, I just collected the documents. Then I began to see discrepancies. And although I saw discrepancies I continued to believe that what he was writing about himself and what he had been saying was the truth. And that the discrepancies could be explained in some manner. Additionally, if there are only a couple of discrepancies and they're minor discrepancies, who cares. But, through the process of the accumulation of the biographic archive, in my study of them, I began to see that it wasn't just a few isolated instances but, rather, that he had -- that lying had been his pattern and that that's what was true about him. What was true about him was that he was a liar and that he appeared to think that he could lie with impunity.

J: What lies did you see specifically that you could enumerate a few.

G: The ones which were significant to me were the ones I think which had been used to draw me into the organization and which had kept me in the organization for all that time, and they were not just used for that but used to create a mystic about him which you could not penetrate, could not question. It was significant ones. If he had been crippled and blinded during the 2nd World War. That he had cured himself with Dianetics. That it was a matter of medical record that he'd twice been pronounced dead. That he was a nuclear physicist. Those, to me, significant representations, I was able to show in his own documents, not the government's documents, but documents which he maintained in his own archive, that they were false.

J: Gerry, how did you feel when this came to light? I mean, you're a loyal Sea Org member. You have worked for the last ten years as a Sea Org member working night and day very hard, giving your all, complete dedication, sometimes 16, 18, 20 hours a day. How did you feel when you began to find these things out and they began to dawn on you that this man was a bigger liar than he was a purveyor a truth? This must have been the devastating thing to go through. You were loyal. There was probably no person any more loyal than you. You were one of the loyal Sea Org members.

G: Well, it was initially like I say, I just noted the discrepancies and carried on with my work. There came a time when my mind began to open. I began to see, and I began to question. That period of time was also a period of great confusion. There was also a period of time of some loneliness because there really was no one to talk to because I couldn't go to someone with a critical thought. I could not -- you could not talk and say the things that I had to say inside the organization.

Then there came a period of time in the fall of 1980. I actually had tried a couple of times. I'd gone to Laurel with some discrepancies, cause Laurel had been his public relations officer for many years. She knew the story. And I was saying, "Laurel, this isn't true. We can't say that." Well she got really angry at me and silenced me. So I learned to not say anything.

But there were a couple of points. One of them was contracting with Omar Garrison. And Garrison had a couple of very pro-Scientology books prior to my coming on the scene although he was not a Scientologist..

S: He was a huge ally of the church, in fact ...

G: He was a huge ally so again even with Garrison I couldn't just say, "Hey, Omar, you know, check this out. It's bullshit!"

S: I've connected the dots and it's scary.

G: Right. Now, it was a gradual thing with him, too. I would give him material and then we'd talk about it. Gradually I began to see that Omar understood, and Omar was an ally of mine, so we began to be able to talk freely. And that was another key to my getting out of the organization was... spending a lot of time with him, with his wife, travelling around the country in different situations outside the organization. And then going back into the organization and having that comparison all the time where you do, having the knowledge that I had, going into the organization and seeing the craziness inside and then going out of the organization was making about the outside was another aspect of the big lie which was being run on us.

But, toward the end of my existence inside the organization, and also as I learned more I became, I guess, braver and

braver and braver. You know, willing to stand up -- it didn't matter any more. You know, you want to kick me out of this organization? See you later.

But I was still there, still dedicated, so I developed something of a cause during my last few months inside the organization of attempting to get the organization -- and, of course, I knew it would get to Hubbard and it was sort of a challenge to him, but initially to get the organization to change what it was saying.

S: I remember that part very well.

G: And I critiqued a number of the dust jacket material and the "About the Author" sections of the various books, and we'd go through them and line by line say, "This isn't true, this isn't true." Here are the facts." This we don't know. We can't document that. It sounds like bullshit to me. And so, I did that with a number of pieces. And I think it actually had a good effect up to a certain point, because they did actually change them and tone down some of the hyperbole.

S: Now, didn't at that point you also feel -- this is per my recollection cause I was a PR at that time and worked pretty close with Laurel and -- didn't you feel that despite the fabrications and despite the inconsistencies that there was still value to Hubbard? I think I recalled something about, "Gerry said that we could still do a biography and just make it truthful and still..." -- because LRH had contributed so much, just do a truthful thing, and his contributions would stand on their own. You didn't need all this fabrication. And you sort of had platformed this campaign, right, where you went over like a pregnant polevaulter...

G: Right.

S: ...as I recall.

G: It really, I think, ran his accomplishments and the technology will have to stand on its own. If it's going to stand, it has to stand on its own. We can't hold it up with lies. That's the way I still feel about it and I think it has fallen on its own. I don't think that it's workable and I think that it's an enforced technology. But that's sometime later in my development.

S: Now, by this time, you and Terry were no longer married and you had remarried to Joyce Brown.

G: Right.

S: Was your relationship with your wife at this time, where you were very vulnerable and feeling alone, was that any solace to you?

G: Yeah. See, she came along in...

S: Another catch, dude. I mean she was such a doll-baby. She is such a doll-baby.

G: Yeah, she's a sweetheart. Initially, I'm working away on the biography project and she's up there in SMI, Scientology Missions International. And we connect. And you know what a Sea Org romance is like, you know. "Hey, gotta a weekend free, let's drive down to Tijuana and get married." You know it's that kind of a thing. I think I drove her down one week and got her a divorce and the next week got her -- married her, sort of.

But she was in much the same situation as I was, in, that, if you're free to talk to anyone inside the organization then, for one thing, the organization wouldn't be Scientology -- if people were free to talk it wouldn't be Scientology because that's the essence of Scientology is its lack of freedom. We at one point came to this realization that we could talk. So, just toward the end of our being inside the organization we formed something of a conspiracy of two. And so, knowing what we knew, and once I knew that I could talk to her and what she knew is she could talk to me, and we formed this little conspiracy...

J: It really wasn't a conspiracy though. It was open, honest communication.

S: Between a husband and wife.

G: Right, open and honest between us, but

S: But within the organization it would have been a conspiracy.

G: ...but conspiring to not let the organization know because they say you must talk open and freely to this sec checker but you can't talk open and freely to your spouse.

S: What?

G: That's the organizational paradonn. So we violated that because when it came to sec checking it was -- I mean she had to go through a sec check toward the end of our Sea Org experience and by that time, I mean, once you know that the whole thing is a scam, anybody can con a sec checker, because you have a certain altitude. Go ahead and ask a question. I don't care.

S: That's right.

G: You know, it doesn't read. There's no more belief in that meter. It's just a pack of garbage.

J: Are you saying that the E-Meter is not 100% effective?

G: The E-meter is at best a worthless, anti-religious artifact.

J: Thank you.

S: Don't sugarcoat it honey, give it to us straight, ok? I mean, you know, enough of this pussyfooting around stuff.

J: You feel pretty strongly about that, don't you Jerry?

S: Yeah.

G: No, it's ... irrelevant. It has no meaning. It has no value whatsoever.

J: I think the value that it has is the value that the person holding the cans has...

S: Infuses into it ...

J: Yeah, places upon it because of what he's been told or shown.

G: That's not the value. There may be some value in answering questions. There may be some value of looking into one's mind. And --

J: I agree with what you're saying. I don't disag.. I'm saying the value that it has to the organization, not to the person.

G: Oh, yes. It has the same kind of value that thumbscrews had in another era.

J: Yeah.

S: Now, Gerry, when you had all those documents and you had these boxes, did you not come across a lot of evidence in terms of not only inconsistencies in the fabrications that L. Ron Hubbard had presented to Scientology as a whole, but also things that made his past actually questionable in terms of maybe alcoholism or drug use or things that you came across that not only show him as someone who's made up these things, but showed a quite -- A man who was the antithesis of what had been presented.

G: Yeah. Yeah.

S: Tell us about that.

G: I began to see that his drug of choice in his later years were steroids. And he dosed himself with massive doses of testosterone and I remain convinced that that is what he used to keep an edge on his belligerence.

S: Interesting.

J: How did you come to find that out?

G: From his own writings.

J: Is there any way that we could look at those writings?

G: I don't know of any way of getting to them at this time.

J: Why? I know it's a simple question, but why?

G: Because the organization will not disgorge the true information which it has on Hubbard.

S: Do you think they've kept that information or do you think they've destroyed the information?

G: Both. So that there is certain aspects of what they've done and the criminal activity that they're involved in which they maintain and there're certain aspects of it which they destroy.

J: When you say the criminal activity they're involved in, do you think that the majority of Scientologists have any idea that that's going on?

S: The current Scientologists?

J: Yeah.

G: No.

S: Of course not.

J: Then?

G: When you talk about the majority -- the people at the top know.

J: Like David Miscavige and Norman Starkey and ...

G: Yeah, and Gene Ingram? Sure. The people who control Scientology And the lawyers. Oh, yeah, the Earle Cooleys of the world? Sure. They absolutely know that they're involved in criminal activity designed to destroy civil rights of the members of the organization and the lives of anyone they perceive as enemies.

J: Can you give me two examples of civil rights that Scientology has violated?

G: Freedom of association, freedom of speech, freedom of religion.

S: Just to name a few, honey.

J: Ok. Yeah. I mean, thanks because ...

S: Gerry, keep going.

J: That sort of thing I think is important. Most people don't realize that that's what's going on. Most people have no idea that that's going on. Did you feel like you were manipulated while you were in there?

G: While I was in there I don't recall that the subject of manipulation crossed my mind. I don't think I could have allowed myself to think that I was being manipulated. But...

J: Did you ever feel that way?

G: I felt absolutely controlled. But my understanding of the manipulation, the coercion, comes later.

J: After one pulls back and views it from the outside.

G: Yeah, well, I mean, technically I was inside but I had really begun to deprogram myself and so...

J: Did you tie yourself up? I mean we all know about deprogrammings. You get tied up, and ...

S: ... sexually molest yourself.

J: Did you tie yourself up and sexually molest yourself?

G: Oh, I mean, deprogramming has to do with that subject of manipulation. While you're programmed you don't know that you are being manipulated. When you're deprogrammed you realize that you have been manipulated.

J: So in order to be deprogrammed, one has to be programmed.

G: Yeah.

J: Deprogramming doesn't work on scmebody who hasn't been programmed.

G: I would think that's true.

J: Yeah. I would think so too. I would think so too.

G: Accepting the word and the definition.

J: When did you leave?

G: December '81.

J: Why?

G: It was time to go. (laughter)

J: Would you tell me a little bit more about that. I mean, I believe what you're saying but not everybody knows the Gerry Armstrong story. And I think a lot of people might be most interested.

G: Ok. Well, I came to the point I guess a couple of weeks prior to that and I had been very vocal on the subject of the lies, Hubbard's lies, the organization's lies and the organization's activities. And my vocalness had come to the attention of Norman Starkey. Norman Starkey at that time was on a mission operated by David Miscavige, the purpose of which was to take care of Hubbard's legal problems so that he could come out of hiding. And Starkey one day came into my area, Hubbard archives area, and we had a conversation. And he accused me of saying things about Hubbard which were untrue. And one of the things he said was, Hubbard -- he wanted, Starkey wanted, to charge the PRs through the ages with creating the lies which I have documented.

S: Well... now hadn't that happened to a large extent? Did Lizzie and Laurel -- for a period of time, I don't know what happened to the whole thing, but they took the fall that they had made it up and they had written these falsehoods about L. Ron Hubbard.

G: But they weren't around in 1950 and 1952 and 1965...

S: No, but they were the ones who -- they had written down the biographical information on L. Ron Hubbard, how it was dictated to them by L. Ron Hubbard, per my recollection.

G: But they were not there. If you look at -- what's the book on the atom bomb, the nuclear physicist's book -- "All About Radiation". If you look at that book and if you look at the bulletins that were written in that era it says, L. Ron Hubbard, a nuclear physicist. Lizzie wasn't there. Laurel wasn't there.

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S: That's true. That's so true.

G: How can you say -- I mean, it's like one thing to make those people scape goats, but those people weren't there in '56. Laurel wasn't old enough to be there in '56. She was in our generation. I mean, you know, we're the 60's. We're the baby boomers.

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S: Lizzie certainly wasn't there, either.

G: Anyway, what I did was show Starkey in Hubbard's handwriting where he had called himself a nuclear physicist and Starkey just went silent and he stormed out. And a short time later I was called down to Gilman Hot Springs.

J: Do you think he had a major ARC break?

G: No, I think that he recognized that everything that he had put his life into for so many years and had done so many rotten things and attacked so many people in defense of. That he saw that that hung in the balance and he had to go one way or another. So he chose to close his mind. And he wrote to the ... one of the executives of La Quinta ... Gilman Hot Springs and requested that I be sec checked.

J: This is the Golden Ere Studios, or Golden Era Studios.

G: Right, but at that time -- I'm not sure what it is now.

S: No, cause it's at Gilman's.

G: CMO headquarters...

S: This is at La Quinta.

G: No, this is Gilman.

S: Oh, this is Gilman, ok.

G: Yeah, this is -- CMO headquarters, in any case. And so I went -- I was called to Gilman and I spoke to Cirrus Slepp. And she asked me about -- she actually showed me Starkey's report on me. And I said that I -- you know I was quite open with her.

S: Now Starkey reported that you had fabricated this information?

G: No, Starkey reported that I was criticizing Hubbard and he wanted to find out what I had been saying and what documents I had been giving to Omar Garrison because I'm working closely with Garrison, and if I'm giving Garrison documents showing that L. Ron Hubbard claimed to be a nuclear physicist and L. Ron Hubbard lied about being a nuclear physicist and Starkey knew about many more lies...

J: The cat would be out of the bag.

G: Right. So he wanted -- they wanted to keep a lid on it. Cause his job, of course, is to continue the myth of L. Ron Hubbard. Starkey's put a whole life into doing that. He's dedicated to that illusion.

J: Starkey got into Scientology in the 60's in South Africa. So he's been in a long time, probably 30 years.

G: Yeah

J: That's a long time to put in. It's at that point 20 years.

G: Right. And he was in a position of power. And he liked those positions of power. And this is, of course, some kind of a threat. I mean, here's just some guy down there making all kinds of noise and essentially calling L. Ron Hubbard a liar.

J: You know, one of things that always... I'd always thought about in Scientology was the is-ness, as-is-ness, alter-is-ness and not-is-ness. It says in order for something to survive or continue there has to be a lie in it. And the question that always came to my mind -- the first question that always came to my mind is, for Scientology to continue it must have a lie because it says so right here. In order for anything to continue it has to have a lie. So I always wondered what the lie in Scientology was.

G: The lie is that is Hubbard's philosophy. Hubbard's philosophy is flawed. It is a corrupt, dishonest philosophy. And he was a corrupt and dishonest man.

J: You must hate his guts. You must hate his guts for a person who's ... for a person who's been loyal...

G: That which will survive is that which can never be altered. That which is altered and that which is hence unreal, that which is a lie, will not persist. Now you can try and Hubbard can try but you will not get lies to persist.

J: That's true because there's always some truth under there and they'll pull the truth out and it's fixed full of lies.

G: The truth will be there no matter what you do with it.

J: We need to go eat lunch, or dinner?

G: Oh, ok.

J: So I think that you have an appointment. G: Yeah. J: Before we do that, let me ask you two quick questions. G: Ok. J: You left in '81. G: Right. J: You were sued in '84. G: '82. J: '82. S: Jerry? J: It went to trial in/'84. G: Right. S: We should just pick this up, because ... J: We will. S: Ok, I just wanted ... J: We will. But, I just want to get this on here. They lost the suit against you. G: Right. J: In '86. S: Big time. J: In '86. They sued you in '82. Went to trial in '84. In '86 they settled out of court with you. G: Right. J: For hundreds of thousands of dollars, if my sources are correct, and you don't need to verify ... or hints at all, if you can let us -- if you want to, it's fine. But there's no reason to give anything. If my sources have been correct you got \$800,000. You -- Scientology paid you \$800,000 because you knew the truth about L. Ron Hubbard. You knew the truth. And you have been harrassed and you've followed. You've been lied about. You've had people watch you 24 hours

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a day for weeks on end. You've had to go through extreme mental pressure today, yesterday, even. Gene Ingram says things to you like, "Gosh, Gerry, you look like you have AIDS," when in fact you're a very healthy person and you're a marathon runner. And it's... G: Right. J: Settlement aside, but, these other things are correct. G: Right. J: These guys are still harrassing you. G: Right. J: And you were a loyal, loyal, Sea Org member. Never in your wildest dreams did you think, when you got into Scientology, and you dedicated your life to this, if ever they had put you in this position. G: Right. J: Thanks. Can we continue this? G: Yeah. J: Thanks. G: Thank you. [RESUME TAPING] S: Hi Gerry, you left in '81. G: Right, December '81. S: Can you tell me what led up to your departure from Scientology? G: Sure. I had come to the conclusion at the end of '81 that the organization was not going to reform its ways, it was not going to correct the lies L. Ron Hubbard had told about himself. L. Ron Hubbard was not going to correct the lies he'd been telling about himself. The organization was not going to change its -- what I considered -- criminal and anti-social behavior. And I knew that my days were numbered, that I could not continue to be in the organization taking the stand that I had been taking, being vocal on the subject of Hubbard's lies. So I really was faced with only one choice to make and that was to leave. So, I carefully, cautiously, and over a period of a week or ten days removed my few belongings and my wife's few belongings out of the

building and we cleaned our living space before we left. Left the few pieces of Sea Org uniform that I had, and we drove away.

S: I see. Now didn't you at this time do something rather brazen which is like -- didn't you keep some of the documentation for some period of time and send copies to the church or vice versa kept copies and sent stuff back to the church?

G: NO.

S: No?

G: No, I didn't. I worked very diligently and my wife Joyce -- and Jocyln -- worked very diligently for the last couple of weeks copying whatever we could copy of the documents which I had in archives, many of which I had already copied and already provided to Omar Garrison, but I was dedicated to Garrison. I sensed, or knew, that whoever took over the biography project after I left, and I assumed that it was going to be Vaughn Young, because he'd been working with me on the project at that time and it was my expectation that he was going to take over the project, that the organization once I left would not allow Garrison the access to the materials that I had so my dedication to him, my dedication to the biography project and my dedication to the attempt to bring to light the truth brought me to copy everything I could, and what I couldn't copy and all the copies that I had remaining, I took to Garrison at the end. So I provided them to Garrison and then Joyce and I drove up to Canada. And at that time we were completely documentless. I did not have any documents. Didn't do anything with the documents for a period of time.

There came a time some months later because I began to work for Garrison outside the organization that I, at his request, copied a lot of the copies which I had given to him because he wanted to set up a separate archives because he felt that the organization was going to burglarize his place and steal the materials that I had provided to him.

So, that second set of materials was what I then provided to Mike Flynn, or sent to Mike Flynn, after I knew that the war with the organization had started, in the spring of 1982.

So, the organization's claim that I stole all these documents -- that's simply not true. I was under contract to provide the documents that I could to Garrison and I performed pursuant to that contract. It was only as a result of the organization's declaring me an enemy -- I knew that I was then fair game. I knew that the battle had been engaged. And I tock it as what was the only same thing to do. Anticipating a legal battle. In fact I was told to get a lawyer. I did.

I got Mike Flynn.

S: Okay. And so, then, how did it progress from that point, the legal battle?

G: Through the spring of '80 -- late spring of '82 and into the summer I provided sets of documents as I was able to get them from Garrison and copy them. I sent them to Mike Flynn. Some of the documents that I sent were some of the originals which I had provided to Garrison.

Some of the originals I provided to Garrison because he needed, or, we felt, that it was very good to have originals because he was considering including copies, photographs of the original documents in the biography, some of the things which were in Hubbard's handwriting and on the original paper would have been great included in the biography. So some of them he had for that reason. Some of them he had because I just didn't have time to copy them. It was our intention that Garrison would copy them and he'd provide -- give the originals back to the organization.

But some of the documents were originals, but most of them were copies which I provided to Flynn.

S: Now up to this point Mr. Garrison had been, as you'd stated before, an ally of the church. And Did he also -- was he becoming disillusioned with all this newly discovered information?

G: I think he was -- he wasn't probably as illusioned as I thought he was. He really was an intelligent man living on the outside of Scientology, and had provided as a writer a service for them in doing the books that he'd done. But he thought his own thoughts and he was independent of Scientology. And he is a -- he's a fighter in his own way, so he had already had his own battles with Scientology just to arrive at the products that he'd done.

So it came to him as really no surprise. And It was a surprise to me that it was no surprise to him. He was pretty real about the whole thing. But, he did begin to understand that he had possession of very sensitive documents and that the organization would then consider him, if not an enemy, certainly a major security threat in that he possessed these very sensitive documents.

S: Okay. So, you went to court. The Church filed suit against you, am I correct?

G: Yeah. August '82.

S: You countersued.

G: Right.

S: This was a big suit. I mean this was well covered in the LA Times. This was like a very big, visible suit. Can you tell me how that progressed and what the outcome was? And who all was involved?

G: Sure. They sued me in August of 1982 seeking to recover the documents which I had sent to Mike Flynn, and seeking damages. And the causes of action were conversion. They considered that my providing -- initially they claimed that my providing the documents to Omar Garrison was conversion because they did not know at that point that I had retained a copy of the contract to show that Garrison legitimately had the documents and that I legitimately had given Garrison the documents.

I defended the suit initially by stating that the documents were not the organization's documents but were L. Ron Hubbard's documents and L. Ron Hubbard should bring the lawsuit but L. Ron Hubbard would not come out of hiding, and he was afraid to come into court. So then Mary Sue Hubbard intervened on his behalf. And she claimed a proprietary interest in the documents.

That was the initial stage of the lawsuit. The judge in Superior Court -- I think it was Judge Coale, then ordered the documents which I had provided to Mike Flynn and to my other lawyers Contos and Bunch in Woodland Hills -- he ordered those documents be delivered to the court and they stayed within the possession of the court through the lawsuit, through the pendency of the lawsuit up until the time of settlement which was December 1986.

So, they initially sued me, and then I filed a counterclaim for the intentional infliction of emotional distress and for fraud. That then, the two cases were bifurcated -- they were split apart so that initially all that got tried at my trial, at the Breckenridge trial in the spring of 1984 was their lawsuit against me. And out of that came the famous Breckenridge decision in which he found that because of my knowledge of fair game, of organization intelligence operations and of the fraud of L. Ron Hubbard that I was justified in going to Garrison, getting the documents that I knew about and sending them to my lawyer. So ... That was the result of that trial.

My case against them

S: Was that a jury trial?

G: No, judge trial. My case against them did not go to trial

because that was settled. It was scheduled to go to trial. At one time in December of '86, then in early 1987. And in large part because it was scheduled to go to trial the organization settled it.

S: Now I know a lot of other executives at the time sort of -- I wouldn't say rallied around you, but, but, came to witness against the Church during this time.

G: Right.

S: And that was a big thing at the time, right, because these were some of the senior most executives of the church.

G: Uh huh. Laurel Sullivan who'd been Hubbard's public relations officer whose history went back with him through the Sea Org. Bill -- sorry, Bill Franks wasn't there. Homer Schomer. Eddie Walters.

S: Kima, didn't Kima..

G: Kima testified. Nancy Dincalci. So a number of them were, really my friends. People who I'd known inside the organization and outside the organization. A group of friends who were quite close to me and who had the courage to come forward and testify.

S: That's great. Now, your suit settled and -- bring us up to date to this point as well as how you feel retrospectively about the whole situation, what, you know, what would like to do now, are you under a gag order presently? Are you not?

G: I'll give you the history.

S: Ok.

G: So in, From 1984 after the Breckenridge decision there were a series of events -- operations that the organization mounted against me to compromise me, to set me up, to get me charged with false criminal charges, any number of things. The onslaught...

S: 1984, that was during the trial -- during your case or prior to your case or after your case?

G: They began before -- in 1982 they had PIs on me, I was assaulted, I was driven into. They tried to get me in a highway accident. They harrassed me day and night for well over a month. Then as a result of the court's comment about this kind of activity, they backed off. They kept up the legal onslaught and they deposed me in any number of cases and within my own case. And they ran operations against me. You okay? S: Yeah.

G: But it was really after my trial in 1984 when they escalated the war. They sent around my friend Dan Sherman. You may know him. And I liked Dan. We were really close. And we hung out a lot. But the whole thing was an operation to get Dan close to me so that I could be set up. And what they tried to do through Dan was to convey to me the idea that there was a group of people inside the organization who wanted to reform it, who wanted to get rid of the criminal element at the top of the organization and have it revert to its pre-Guardian's Office, pre-criminal days. Get rid of the criminality.

S: Now, so at this point, were you supportive of that effort, on Danny's part?

G: Well, at first all it was was him telling me that there was this group of people and then he would send me messages from them. And then gradually I built up a relationship with them. These people claimed to be a core group of 35 people inside the organization who were working covertly because of their fear that should it become known that they wanted to reform the organization they said they were afraid for their lives.

S: So at this point despite everything you knew about Hubbard you must have had some faith in the technology of Scientology. Or am I wrong? Am I mistaken? I mean if you thought well we can restore this organization to its original intention to be, you know, this may be humanitarian group or maybe this ...

GA: No. No, it's more like downstairs here there could be any number of Catholics, Protestants, Jews or whatever, but I support the cause that they're involved in. It's that sort of way. I did not consider myself a Scientologist, but, if Scientologists want to continue to be Scientologists and at the same time clean up the criminal element in the organization I can support that without myself being a Scientologist. So I supported their intention of reforming the organization. And I didn't know who they were. I'd never spoken to them so it was sort of a support from a distance -there was nothing to do. He was relaying this information to me.

Then they initiated a dialogue with me. They wanted to communicate with me. And they would send messages via Dan, the message that they really respected me for what I did, the integrity that I showed during the trial, and so on. I got a phone call one night from one of these guys just after the trial and just the day before I was to fly to London to testify in the child custody case, the one that Jolly West quoted from today, the Latey decision came out of that trial. I went over there and testified. Well the night before I received a telephone call from one of these people claiming to be one of the 35 Loyalists. And he said, "We can get your pc folders. We know you want your pc folders. We can get them for you." "Oh, ok. What do I have to do?" "Oh, well you'll have to drive to a certain place in Los Angeles..."

S: Griffith Park.

G: No, this was a different -- I never went, I never bit. I never rose to the bait on that occasion. I said, "Well, to me this could be construed as accepting stolen property and it also could be an attempt to get ... to stop me, because of the times that were involved, to stop me from flying to London, cause they did not want me testifying in the trial. I said, "As much as I'd like the pc folders I can't do it." In any case I flew to London and testified. There, in London, I was harrassed at Heathrow Airport by private investigators. And they, in fact, wrote sworn affidavits that I was observed passing sealed documents to a bearded Arab in the Old Cock Tavern, pardon me, on a particular Tuesday night. I had in fact been at the Old Cock Tavern for lunch on the day previous but I was not there now on a Tuesday night. And the whole thing was concocted, but that's true to form of Scientology, you know, manufacture evidence. So they ... a Scientology operative will swear to anything. The fact that it's a sworn affidavit doesn't mean anything. But it was just another piece of the ongoing operation to compromise and set me up.

I returned to the U.S. and then I was contacted by two people. One of them was David Kluge, who I only knew at that time as Joey. And the other one was Mike Rinder, who I'd known from inside the organization in the Sea Org. And both of them -- and all of this was video taped, illegally, covertly, by Gene Ingram. And I didn't know at the time and I talked to them like I ...

S: This was the meeting in the park.

G: Right.

S: The famous meeting in the park.

G: Right. And there were a series of meetings in the park but I talked to them like I talk to you and I -- you know my language was atrocious. I made bad jokes. Just rotten. I had a foul mouth at the time. But I was also -- you know, I mean, I could pick up that there was something weird going on because what they would tell me off camera seemed to be so different from the questions that they're now we're sitting on a park bench and they're talking to me. And I'm ... was completely open about the whole thing, but I also knew that there was something weird about it so a lot of what I'm saying on the video tape reflects that aspect of the thoughts that are going through my mind about how strange this is.

But there are some really funny things that occurred. If you've never seen the videos, they're very, very funny.

S: You know, I on't know, Gerry, that the videos were ever shown. What I do know is that a transcript of these meetings was published in Freedom News Journal.

G: Right. A part, part of it.

J: True to form.

S: Of course. It amused me. I was still involved in Scientology. Still a believer. I saw this. I have to tell you, this shook me, cause I went, "This is nuts." Who could ever believe this article? And I was truly, truly committed to the organization at this point. But it really made me go, "Please, this so discredits them. Why would they do this this way?"

G: When they first broke the videos in 1985 up in the Christofferson trial, before they were shown to the jury the judge viewed the first two videos. And he viewed them in his chambers, then he came back out and he said, "These are very damaging, damaging to the church." Right. And they polled the jury after the trial. And they said that the video tapes of me only proved one thing. And that was that fair game was alive and well in 1985.

So, the Scientologists are so blinded. Here's the way I think it went down. People are reporting to Hubbard through this time that they have an intelligence connection to Armstrong. And Hubbard hates Armstrong, you know, cause I've been saying all these things. And they've been telling him that I took the documents.

S: Pull back the curtain.

G: I mean, cut of what I did came the Breckenridge decision

which stated, "This guy is a paranoid, schizophrenic." I mean just the worst thing that he ever wanted to hear. But true.

But they -- the organization could never tell Hubbard the truth. And Hubbard could never hear the truth, so there's a perfect situation there for Hubbard to get partial truth and it always happened inside the organization, then he would issue an order. He would issue an order, in this case, like, "Get that into evidence. That'll destroy Armstrong." Because they're telling him, "We've got video tapes of Armstrong saying 'this,' and of course, they take one line out of context." But that's the big win that they want to convey uplines to Hubbard.

And of course, Hubbard doesn't get the whole picture, but now he has issued an order. And now they have to jump through the hoops to get those video tapes -- illegally taken, and the judge stated up in Oregon, these things are illegal. But they fought to get them in. And after the judge said they're damaging against the church, does anyone care? I had to go through the incredible embarrassment of my foul mouth, and I didn't know, you know, did I pick my nose, you know -- how did I? You know there's four hours of video tape I was just -- I was a total jerk.

S: (Laughter)

G: But I understood after a while I really -- it was terrible to me. 'Up in the Christofferson trial. When I knew that my friend, Dan Sherman had set me up, that the whole thing was a set-up, that they'd video-taped all of this stuff, the betrayal was so awful to me. I was suicidal for just days. I walked out of the courtroom. The judge got rid of the jury, sent everyone home, and he was busy watching these things in there. And I'm sitting, I'm alone out there in the courtroom for an hour and then someone, one of the Scinos' lawyers walked in and made some complaint about me even staying in the courtroom and so I walked outside.

And we were on the third floor of the courthouse. And there was, you know, the stairs came up like this onto the third floor and then they went around like that so there were two places where you could look down three floors onto the marble floor below. It looked just hard enough that it would do the job, just smack! I really considered it for a long time. I walked over to the railing of one of these areas and I looked down, and I was just contemplating just ending it right there. Then I realized that down below was a set of pay phones and that, you know, someone crossed over there to the payphone and I realized, you know, here I go to end it all and I take some innocent guy out walking to the payphones, so I couldn't do that so I walked over to the other one, thinking well, you know, here's an opportunity. And there was a bank of Coke machines. And so, you know, just out to save some other poor guy, I didn't take my own life at the time.

But it was horrible. I just ... I came just so close. And I... My heart -- there was incredible pain. One night I just couldn't sleep and there was this pain and I just couldn't breathe. Awful! It went on for some days over a weekend and then into the next week. I think they had me on the stand for 10 days, 7 or 8 of which were cross-examination with the great Earle the pearl Cooley. Anyway ...

So that's what happened in 1985 and they just continued after that. Then they culled my pc folders. And they sent all the most scurrilous stuff out of my pc folders. And they put that ... filed the stuff in my case in LA Superior Court.

S: Well, you had to have of known that that was going to happen.

G: Well, I mean, you get a sense but you really can't believe it until you see it. And then you can't believe the twists that they and their lawyers put on it. You know and there was this dream I had. I had a dream up in Portland in '85 and I sent it... I've had very few memorable dreams in my life and only one or two of them have I ever written down. And this one was so vivid and so memorable that I wrote it down. And I wrote it, I think, very concisely. It was some of my very best literature because it is really tight and really good. It's also really foul. The language and the concepts are just grotesque. But it was a great dream. And I sent it to Dan Sherman because he's my literary buddy. It ends up the Scinos get it and they got that! And they want to put that into evidence in the ... the Christofferson trial!

That one, that one followed me this last year it showed up in Johannesburg in South Africa. The organization provided it to their lawyers over there to attack me with. A dream! And they twisted that -- that the fact that I had a dream was the proof of what a perverse, distorted guy I was. Anyway...

So, there was a series of things. When I first arrived in Boston, in September of '85, well October '85, they brought criminal, they attempted to bring criminal charges against me with the FBI for impersonating an FBI officer. Five times they brought either flat out criminal, or quasi-criminal contempt charges against me. And they tried the same thing in Marin County.

S: Gerry, let me stop you here for a minute. What motivates you. I mean, why on earth wouldn't you say, "I did this. I messed up. I made a wrong choice. I'm just going to go away now. And have my life and just ... you know, I have my wife and I have our birds or... "whatever you guys had at the time. I don't remember. I used to get Christmas cards from you guys -- I think you had birds or cats or something.

G: Yeah! We had birds. That little guy could talk.

S: Nicky?

G: Mikey.

S: Mikey.

G: Right!

S: That's right.

G: Anyway, there was a period of time, December '86. It was the time of the settlement. And we'll get back to the settlement in a minute.

I felt that I really could get on with my life. And I could do a number of other things. I began to, I mean I'd always written, but I wrote seriously. I drew seriously. I spent a lot of time doing my things. I had my own life. And I maintained communication with my friends you know, who I did not disconnect as a result of the settlement. The organization may have felt that I should have or had to or that I was contracted to but I didn't do that. But I really had my own life and I wasn't involved in anyone's litigation. And I didn't have to do anything about them for a period of time.

But the organization couldn't quit. They couldn't let the Breckenridge decision stand. They couldn't let my image stand, whatever I represented to them so they continued their attack. They continued in a false -- what they call a Dead Agent pack that they put out against Bent Corydon in 1987. They did it in the Russell Miller case, in London in 1987. They filed 8 absolutely false, scurrilous affidavits regarding me, specific to me in that case.

S: And this was post-settlement agreement.

G: Post-settlement agreement. Gene Ingram provided an edited version of the video tapes -- the illegal video tapes to the London Sunday Times.

S: Now let me ask you something? In this settlement agreement, does it clearly state that this was not allowed? In the settlement agreement? I mean, were they thus in violation of the settlement agreement?

G: In my opinion, yes! Because the settlement agreement,

unless it worked two ways, didn't work at all. But if it was only one-way, then they relieved me of any duty to perform by their doing that. In other words, they cannot -- if the settlement agreement is only a lop-sided, one-sided settlement agreement, that's fine! I honor it and I'm silent. And I don't do anything to violate it. Then everything works fine as long as they don't. But as soon as they, in a new, as they would say, unit of time do something, I clearly have the constitutional right to respond and speak out. They waived the right. They had to remain silent whether it said they had to remain silent or not. Additionally --

S: Did it say? That they did? I mean, was it one of those agreements that Okay, we're just going to both let by-gones be by-gones?

G: That's exactly the words in it, yes! Anyone would interpret it that way. And anyone did. But they interpret it by saying --

S: You should let bygones be bygones and get over it but they didn't have to.

G: Not only that! That they have a right to say whatever they want and I must remain silent even if they can say that I was an ax murderer. And I must remain silent? It doesn't work. But not only that, I realized that my silence was in fact an obstruction of justice. Because all of those people who depended on my testimony, and I have great testimony regarding the fraud of Scientology, was vital to anyone who'd been defrauded by Scientology. So I felt that I really have a right and a duty now to stand up to the organization. I did not --

S: So you were feeling like you were getting over it and you wanted to leave it alone and you wanted to get ahold of your life, for a period of time until they began to lash out at you, at which point you said, "Hey, I don't need to lay down, for you to run over me."

G: Well, there was a series of -- even though they published the Corydon Dead Agent pack, even though they published the material in the Russell Miller case in 1987, shortly after the settlement agreement, I didn't do anything. And I didn't do anything until I got a series of telephone calls from Larry Heller, organization attorney threatening me with law -- with being sued if I were to even testify pursuant to a subpoena. So I knew at this point, "This has gone too far." And what happened was I was subpoena'd to testify in a deposition in the Bent Corydon case. Toby Plevin subpoenaed me. Now I had maintained some communication with Bent because he is my friend. I had not assisted him in any way in his litigation because I had agreed not to do that but I knew that if he subpoenaed me, that that was senior to whatever settlement agreement existed.

Another aspect of the settlement agreement that you should know, was that I was told before signing it by my lawyer, Mike Flynn, that it was "not worth the paper it's printed on. You do not have to obey this. It cannot be enforced." So I signed in large part because Mike Flynn said that.

Now, in addition to that, Mike Flynn had told me through time -- and I had grown to understand that 1) the organization had attempted to assassinate him 2) it had destroyed his marriage and 3) he had to get out of the litigation for those reasons. So I was faced with, if I don't sign, then all of these other people don't get to settle, my lawyer can't get out of the litigation, it's going to go on forever, and in addition to that, I've been told by my own lawyer it's unenforceable, it's not worth the paper it's printed on. So sure, I'll go ahead and sign this thing and I will even attempt to honor it knowing that the only hope for a settlement with that organization is if they do change their spots if they do indeed turn over a new leaf, and if they do indeed repudiate fair game. They haven't done it. Hence we now are again locked in battle.

S: Now what is your present litigation with the Church of Scientology?

G: They brought a lawsuit to attempt to enforce the settlement agreement. Out of it ... in May of this last year, there was a hearing here in Los Angeles, in Superior Court, in front of Judge Sohigian. The organization claims that they got a great big win out of it and that I am enjoined pursuant to the settlement agreement. Not true! Judge specifically said that he would not enforce the settlement agreement other than one very narrow issue. The very narrow issue is that I cannot except pursuant to a subpoena, assist someone intending to file a claim or pressing a claim against the organization. Now that we are appealing even that narrow ruling, because that's unenforceable because if you construe that my... that this video could possibly indirectly help someone in the future, I can't do this. And not only that but if you consider that my existence indirectly or directly helps someone, then I am obliged to take my own life. In other words then I must stop breathing. It's unenforceable hence I feel that I am completely at liberty to associate with whomever I want, to talk to whomever I want, and I act in life that way.

And that is in part why I am here at this event now, why I came to the CAN Conference.

S: OK, so what are your further plans? I mean, you're doing great, now. You've got this luxurious long hair.

G: I want to run a 236 marathon.

S: 236 what? 236 yards?

G: 2 hour and 36 minutes marathon. And I want to ...

S: That's what you do, you run.

G: I run. So I want to do that. And I want to end the litigation and I want, you know, peace for everyone. I want to reform the economic system of the world and that's mainly it. I don't have any designs on the U.S. presidency.

S: Presently.

G: No, I can't have, I'm Canadian.

S: Oh, That's right.

G: OK are we done here?

End of Tape.



December 22, 1992

David Miscavige and all other individuals who participate in the control of Scientology C/O Laurie J. Bartilson, Esquire Bowles & Moxon 6255 Sunset Blvd., Suite 2000 Los Angeles, CA 90028

Re: Nothling v. Scientology

Dear David and all others involved:

I am writing this to you, and the various copy recipients listed below, because there are certain things it is fair that you know. Although it is the trial in the <u>Nothling</u> case, which, I understand, is set for early February, that has moved me to write at this time, the idea of writing has made addressing a number of other subjects also timely.

You will recall that in June of 1991 when Malcolm Nothling called me and asked me to testify in his case in Johannesburg I wrote to the organization via Eric Lieberman to see if by initiating communication on the subject you might see that there was an answer to your litigation problems different from the one you and your erstwhile leader had been believing in and pursuing as long as any of us can remember.

Mr. Lieberman wrote back, essentially advising me you said stick it in my ear, and that more, not less litigation was going to be the same old solution; and to not expect communication other than the solidest of sorts. Copies of Mr. Lieberman's and my letters are enclosed herewith.

I did travel to South Africa in 1991 to testify, as you know, but the trial was postponed on the organization's motion. Now it's set to happen again. Again Mr. Nothling has asked me to testify, again I have agreed, and again I am writing you to see if there is any sense in attempting to unfoment this litigation.

Your public attack line that Gerald Armstrong foments litigation against you is particularly hurtful because of what I have done and continue to do to unfoment litigation. Even my signing of your settlement agreement was, in the face of your intent to hurt me, which fact is settled by the agreement itself, an act only of unfomentation.

You all should take a good hard look at the hurt your practices, certainly your litigation practices, cause in the world. And you don't have to desist in them because of anything I've said. You can knock off those bad practices for any reason you want, including because they don't work and make no sense. All the decent people, believe me, in your organization want you to get out of the stupid attack-the-attacker business, and they'd salute you for getting the organization out of that silliness, but they're too frightened. You shouldn't frighten good people that way. It's cruel. And any thinking soul knows that you guys are only acting out of fear, so you really are not fooling anyone with your blindness and bluster.

I realize you've put your faith in really bad things, like lies and PR, threats and bullying, and really mean people, like Gene Ingram. And I'm aware that having put your faith in badness for so long, and spent so many millions of dollars to have so many bad lawyers make so many bad decisions and add so much to their brethren's bad name, it can seem impossible to quit. But you must. All it will take is the willingness to unfoment your litigation.

Eugene M. Ingram has done such nasty things to so many people in the service of your organization, you and he should be spanked. His terrible charge at the CAN convention that I have AIDS is heartbreaking, not because I have AIDS, which I don't, but because your pet pit viper personalizes and focuses your organization's institutionalized hatred.

By accusing me of having AIDS, you and Ingram attack not just me, you attack the many people whose lives have been touched by this disease, or for that matter touched by your organization, and you attack yourself. Your similar-veined attacks on other people of good will at the CAN conference, like Father Kent Burtner, has brought your organization to ignomy.

But the target of faith can be rechosen. And that is where I urge sense and unfomentation. Put your faith in what is real, what is true, what can always be depended on. Put your faith in what in people is true, unchanging and ceaselessly loving. Putting your faith in lies, PR, threats, bullying and bullies you will always betray yourself because you put your faith in nothing; and you and every being everywhere have a right to everything that nothing isn't.

Likewise don't put your faith in litigation or your use of the courts to harass. It is possible to be faithful to a higher ideal than wins in court. If you have put your faith in lies, leverage, advantage and bullying to secure a win, you have gained nothing. If you put your faith in truth, hope, charity, love, no matter the courtroom outcome you have everything; that's religion.

Since the 1991 almost trial in the <u>Nothling</u> case the California Court of Appeal issued its opinion in the appeal you took from the Breckenridge decision in <u>Armstrong I</u>, the California Supreme Court denied review, and the Court of Appeal denied your motion to seal the appellate record. You brought and lost the motion to enforce the settlement agreement before Judge Geernaert in <u>Armstrong I</u>, and then you sued me to enforce it in <u>Armstrong II</u>.

In May Judge Sohigian issued his ruling refusing to enforce the agreement, although enjoining me from testifying unless pursuant to a subpoena. He also ruled that I did not have to not make myself amenable to service of process. I will supply a copy of the Breckenridge decision, the Armstrong opinion and the. Sohigian injunction to any of the recipients of this letter upon request.

Because you didn't appeal from the Sohigian injunction, you have accepted it. I believe as well that for a valueless desire for a valueless win at any cost you also accepted his dicta; e.g. "involves abusing people who are weak," "involves techniques of coercion," "a very, very substantial deviation between [your] conduct and standards of ordinary, courteous conduct and standards of ordinary, honest behavior," "be sure you cut the deck," "make sure to count all the chips."

As a result, I consider myself free to do anything anyone can, except testify absent a subpoena. Much of what I am permitted do I am going to do. I am going to write freely, speak freely, publish, talk to the media, associate freely, and continue, until you put your faith in something more religious than what is bad in jurisprudence, to confront the injustice you bring to court.

In the next month or so I expect to initiate speaking or media events to help pay the enormous costs of this litigation. And I expect to promote my legal position within the publishing industry, because my story and my writings on the subject are literarily and commercially worthy.

I will continue to associate with and befriend all those people I consider you attack unjustly and senselessly. I will make my knowledge and support available to the Cult Awareness Network, a group of people of good will you vilify, in all the litigation you have fomented against them. I will make my knowledge and support available to any Scientologist who is afraid to go anywhere else for understanding, and to the families of Scientologists your organization has estranged. I will even make my knowledge and support available to entities like <u>Time</u> and people like Rich Behar in their defenses from your attacks.

I will, nevertheless, remain available to do whatever I can to unfoment your litigation. I will meet with you, talk with you, help you to find a better solution to your problems. Because of your decision to not have anyone communicate with me, no one from your organization has. I get a little lawyer contact, lots of PI BS, an OSA hearing or deposition attender, enough psychic skirmishes for an army, but, for the life of me, no real people.

In 1991, fantastically, I was the only person in the world, other than Malcolm Nothling himself, who was willing to testify at his trial. And that was enough reason to go. In February 1993, although at this trial I probably won't be the only person willing to testify, there will still be ample reasons to go, unless the case can be resolved.

I really would rather there was no trial and I really would rather not go. Lord knows this last period has been overwhelming and the litigation behemoth terrifying; and Lord knows I have my own calling, which has nothing to do with your legal problems. So I'm willing to do a lot to unfoment the <u>Nothling</u> litigation, and all the tangled legal webs you've woven. But I sure can't do much if you continue to see legal warfare as the solution to your problems and continue to pay the millions your legal mercenaries say the warfare costs.

I am aware that with enough money to enough lawyers you, the leaders of your organization, can hide yourselves and make your roles in your trumped-up war seem very important. There is no doubt this is desirable, it just isn't fair. The real purpose of your little war is to facilitate your doing something different from Scientology, while all those whom you control must go through the daily grind you say you're above.

I don't fault you for doing something different from Scientology, but I do not find acceptable your holding Scientologists in bondage to your catastrophic cause, enforcing your lie that you have their best interests in mind, robbing their years of youth and vigor, and putting them at risk while you show up at the occasional ribbon cutting ceremony, lunch with lawyers and the like, sucker celebs, run PIs and intel ops, conspire, cheat, lie, steal, bully and destroy. I urge something more creative as a better idea.

Your hardworking staff members and people of good will around the world who have supported you financially and spiritually will not for much longer be fooled by your foolishness and will stop believing your lies. They will speak to each other, they will speak out against your suppression, and they will act to free themselves and their friends. You cannot much longer, as we move societally into the age of wisdom, cynically and sillily intimidate good people with threat and suppress good people with lies.

There is the matter of mitigation of damages which, because you insist your lawyers tell you what you pay them to say, you may not have heard or yet understood. In that by the Sohigian ruling I am permitted to speak freely, write freely, publish freely, associate freely, when, it could be argued, and you have, that prior to the ruling and pursuant to the settlement agreement I was not so permitted, I have, in your attempt to enforce the agreement, prevailed.

4. F. Tan

By not appealing the Sohigian ruling you have acquiesced thereto. I am therefore due costs and fees in <u>Armstrong II</u> plus the costs and fees you already owe in your earlier losing and unappealed effort in <u>Armstrong I</u>. But in addition to the fees and costs now owing, and increasing as you protract this already lost litigation, there is the cumulative effect of your legal onslaught which, continuing after the case was lost, if not before, is in every minute malicious.

Gerald Armstrong and The Gerald Armstrong Corporation (TGAC) must also mitigate their damages. I have a duty, therefore, to end this litigation as quickly as possible. Thus I write to so many organizational recipients; thus I canvass to see if within the organization's many parts, all put at risk by their leaders' asininity and mean-spiritedness, there are people of good will who will see sense in what is in their best interest.

That after the Sohigian ruling you sued TGAC (pronounce that Tee-Gee-Ack) is silly and self-destructive. The only thing in the world Gerald Armstrong, individual, is prohibited from doing by the "injunction," is testifying about his Scientology history and knowledge without first accepting the perfunctory subpoena. TGAC only came into existence in 1987, six years after Gerald Armstrong's organization experiences ended, and a year after the Armstrong I litigation "settled."

TGAC cannot testify, with or without subpoena, about any Scientology experiences, because it has had, aside from those which have flowed from your lawsuit, none. Since no one, including TGAC, is prohibited by Sohigian from doing any of the things TGAC actually is capable of doing, it is free to do everything anyone or any other corporation can; and by not appealing the injunction you have so agreed. Thus, having no conceivably legitimate claim against TGAC, you depend on one manufactured from madness, and you must therefore dismiss the mess you've made.

There is also, as mentioned above, the fact that in order to defend myself from your attacks and to fund the defense of the litigation you have fomented I must speak and must publish. I'm sure you understand that I remain completely confident that no court, other than the odd one your mercenaries are able to compromise with bucks, babes or bull, will order me to not defend myself.

I realize you will probably claim to be offended by

everything I've written in this letter. I can't do much about that because you seem to take offense no matter what I say or write, or don't. For, *inter alia*, that reason I haven't said or written it differently. I really don't blame you for being offended and I don't expect you not to be offended; nor will I be offended if you are. I think my position is obvious and I think peace is worth doing something about, even if the fomenters of war are offended. I've used the words I've used because to me they make sense and they're a facet of my craft.

This letter is not really, however you may take it, a complaint nor an attack. It is an effort to unfoment your litigation, into which I have been, albeit for some God-given purpose, drawn. So, neither forgetting nor ignoring Judge Schigian's admonition not to settle <u>Armstrong II</u>, but still hoping, with my heart crossed, here is my proposal:

- 1. Settle the Nothling case;
- · 2. Settle with Ed Roberts;
 - Dismiss your complaint against TGAC and Gerald Armstrong;
 - Remove all your bar complaints against Ford Greene;
 - 5. Pay my attorney fees and costs;
 - 6. We will dismiss the cross-complaint and appeal;
 - 7. Cancel the agreement;
 - Return all materials you've stolen from me at any time;
 - Pay me whatever you want, including, but not limited to, nothing.

1. Malcolm Nothling has a claim and he has survived a lot to get to trial. His costs, not much by US litigation standards, must be recognized, and he must be made whole financially, ethically and publicly. I am convinced that his daughter, but for your control of her mother and her life, would enjoy a healthy, loving relationship with her father. Therefore you must do whatever is within your power to reunite them.

2. You know about the Ed Roberts case because Ms. Bartilson interrogated me about my providing assistance to Mr. Roberts in my last series of depositions in <u>Armstrong II</u>, and one of your lawyers, Marcello Di Mauro, in earlier times communicated about him with Ford Greene. Ed Roberts is a friend of mine who was sucked dry and flat out robbed by your registrars on the way to an up- or downstat week of no consequence to anyone as it turns out, and always does, but Ed.

I have found myself in the silly position of being the only person in the world willing to help Mr. Roberts against your organization. Again, I have no desire to have Mr. Roberts engage you in litigation. In fact his situation can be resolved without your fomenting not only more litigation, but more ill will and silliness. For you it is merely an accounting matter. You ripped Mr. Roberts off; now pay him what is needed to make him whole again.

Mr. Roberts' case of Scientology lies, threats, treachery and thievery, his own money then used to pay your pittiless pettifoggers to prevent him from anything resembling redress, is being played and replayed every day of the year in your orgs. I would think that the three or so million you wasted on your inane <u>USA Today</u> ads to counter Richard Behar's few good pages could have taken care of three hundred Mr. Roberts and done a heap of good.

All your ads did was a heap of bad: more lies, more hate, more embarrassment for Scientologists everywhere, another dead forest, and an uncharitable little delay to your victims before they are made whole. The Ed Roberts case is, in my opinion, the proof of <u>Time's</u> theme: that you are - all of you at the top of your organization - a cult of greed. But worse, you squander your plunder, as witness Toronto, starve the good and fatten your PIs and proctors and their proctologists. And all with the fatuous excuse of a right to defend wrongness and attack rightness because your "religion's" stupidity is, in our courts of law, beyond question.

Anyway I want to have Ed's needs taken care of toot sweet. He probably wouldn't think less of you if you didn't apologize, but I think it's a good idea and sure couldn't hurt.

3. I don't care what order everything is done in. I think whatever is most practical, sensible and ergonomically sound is the way to approach this particular program, which, I'm sure can be wrapped up in a couple of days.

4. This is easy. These Ingram-generated efforts have only served to shine a light on your invidiously scheming enterprise. All your similarly baseless bar complaints against my other lawyer, Michael Flynn, came to nothing. You should learn from the earthworms. Filing no spurious bar complaints whatsoever they demonstrate their superior philosophy.

5. Although they're in the range of, I don't think fees and costs are over \$500,000. Clearly nothing is going to happen unless you cover my attorneys' fees and costs. To leave me with that indebtedness is unfair and unworkable. You will recall that I made a proposal in 1984, being then scared and weak: pay my lawyers' fees and costs of, I guessed, \$150,000, and I'll quit. You, and in those days, Hubbard, said no way. I, less scared and much stronger, urge you to choose again.

6. Dismissal of the cross-complaint is easy. I'll take care of it.

8. I'm aware this may for a long time remain a pettiness you'd rather not confront. But I can guarantee that if you return my materials - the <u>Hubbard letters</u> manuscript, the <u>Cones</u>, all the other materials you and your PIs have stolen from me over the years, I will not bring criminal charges, and I won't even bring the subject up again.

9. You have to cancel the settlement agreement in order to demonstrate to yourselves that it was the wrong thing in which to put your faith. You will notice that when you cancel the agreement nothing will happen. Yet you will have freed me. And that is what you should make Scientbrogy's only business: freeing people. You will also observe that when you free me you free yourselves; in fact you cannot yourselves be free unless you free me.

Regarding my relationship with you after you cancel the agreement, that is where you must reassert your faith. Have the faith that I will neither say nor write worse things about you if you free me to do so. As you know I can say some pretty pointed things about you now just because you won't cancel that degrading document. Put faith in what occurs in silence. Put faith in the inevitable.

7. You decide. If you think I did a lousy job unfomenting your litigation, pay me zippo. Even if it all works for everyone, timing inspired and ideas a Godsend, you don't have to pay me anything. I generally don't refuse what's offered. You know how much I'm worth.

I haven't forgotten <u>Wollersheim</u>, <u>Yanny I & II</u>, the Aznarans, the CAN litigation, claimants all over the place, your government lawsuits, the rest of the settlement signatories, your taxes, nor your image and media distress, and I think it's appropriate to say that I can help you unfoment those problems as well. I would, of course, need half a chance.

If you look deep in your hearts I believe you'll find you really do not want Scientology's legacy to be one of suppression; suppression of the Constitution, human dignity, truth, religion, justice, even suppression of your own good selves. Wouldn't it be better to be known as the people who ended the madness in peace and style; a radical recognition of the transcendence of quantum scientology. LRH was Newtonian in his physics and relativistic epistemologically. I like to call one aspect of my philosophy, inter alia non-mutual exclusivity.

I believe that everyone will become a person of good will, that everyone already is, has been and will forever be, that there is progress and perfection, hope and reason, that to know who we are we must accept the truth of our relationship to our Creator, that all about us that we made is illusion, that we have reason to be grateful that is so, that our Creator, God, our Father Loves us in the same Love by which He created us and holds us always safe and always loved in that Love, that we, His children, are one and One with Him, that the means by which He is remembered, and hence our relationship, and hence who we are, and hence what we know, is forgiveness, that forgiveness is the recognizing of illusion for what it is, that creation is our nature, and that everything is all there is.

With a wish for peace in 1993, I remain hopeful and,

yours sincerely,

Gerald Armstrong 715 Sir Francis Drake Blvd. San Anselmo, CA 949650 .(415)456-8450

:ga

cc: Malcolm Nothling Ed Roberts Lawrence Wollersheim Richard & Vicki Aznaran Richard Behar Ford Greene, Esquire Paul Morantz, Esquire Joseph A. Yanny, Esquire Toby L. Plevin, Esquire Graham E. Berry, Esquire Stuart Cutler, Esquire Anthony Laing, Esquire John C. Elstead, Esquire Michael J. Flynn, Esquire Fr. Kent Burtner

Margaret Singer, PhD. Cult Awareness Network Daniel A. Leipold, Esquire Church of Scientology International Church of Scientology of California Religious Technology Center Church of Spiritual Technology Church of Scientology ASHO Church of Scientology AOLA Founding Church of Scientology of Washington, D.C. Church of Scientology Flag Service Organization Church of Scientology of Arizona Church of Scientology of Los Angeles Church of Scientology of Stevens Creek Church of Scientology of Sacramento Church of Scientology of San Francisco Church of Scientology of Washington State Church of Scientology of Boston Church of Scientology of Portland Church of Scientology of New York

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Scientology in the Schools

IGION

Is L. Ron Hubbard's morals text harmless?

BY KENNETH L. WOODWARD AND CHARLES FLEMING

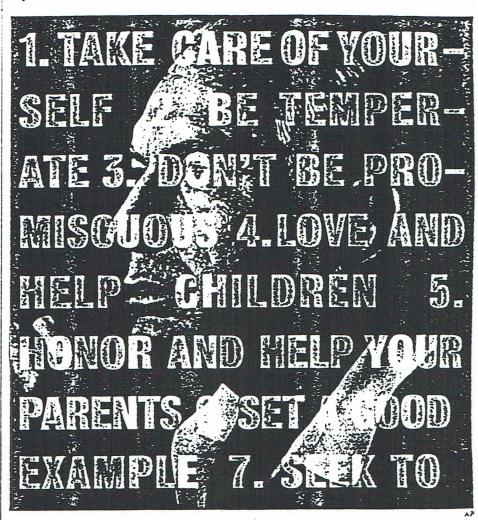
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hen Carol Burgeson received a copy of "The Way to Happiness" in the mail 13 months ago, she read it through and decided it was the perfect nonreligious vehicle for teaching moral values to her senior students at Thornton Township High School in Harvey, III. So Burgeson ordered more free copies of the book by L. Ron Hubbard and used them to stimulate discussions in her classes. "It seemed so harmless," she says. "Brush your teeth, do your work, don't be tardy-what's wrong with that?"

Nothing. But she was more than a little surprised to discover that the late Hubbard, who is identified in the pamphlets by name only, was the founder of the Church of Scientology, and that the pamphlets are distributed by a foundation tied closely to his controversial religion. She's not alone. With little fanfare, Hubbard's text has. found its way into the nation's schools. According to the Scientologists, 8,300 publicschool teachers and administrators have used the morality text since it was first published in 1981. Altogether, church officials estimate, 6.8 million pupils in 7,000 U.S. schools have studied Hubbard's moral principles; internationally, more than 34 million copies in 17 different translations have been distributed-sometimes, say Scientologists, by major corporations. "That book," says the Rev. Heber Jentzsch, president of the Church of Scientology International, "has probably had more popularity than anything Mr. Hubbard has written."

The need for books on values has long been recognized by public-school educators. Strapped for cash and under pressure from parents to deliver a values-oriented education, many teachers and administrators welcome any text that promises as Hubbard's does to deliver sound moral principles on a "nonreligious" basis. But when NEWSWEEK checked with publicschool educators who received the text, some said that they had been misled. In Brooklyn, N.Y., Lawrence Herstik, principal of PS 238, initially welcomed "The Way to Happiness" as "a values-oriented book about righteousness and peace." But he scopped using the text after he discerned an undercurrent of a religious nature." In Bellflower, Calif., Jeanie Cash, principal of the Frank E. Woodruff Elementary School, ordered copies of the Hubbard book but refused to put them into her classrooms when she discovered that they came from the Church of Scientology. "They sent a brochure saying it was a self-esteem program," says Cash. "I feel that I was deceived. We feel very strongly about the separation of church and state." shing house, and promoted through The Way to Happiness Foundation, one cleveral independent corporations designed to propagate Hubbard's thought.

All of these putatively "secular" transnations are coordinated by the Association for Better Living and Education (ABLE), which is an organ of the church. The Way to Happiness" book is itself part of Hubbard's extensive philosophical and religious writings, which for Sciencologists, says Jentzsch, "are the same as the Bible is for Christians and the Koran is for Muslims." What makes "The Way "acceptable for public-school use, Jentzsch argues, is that students who read the book do not have to follow Hubbard's moral



Since "The Way to Happiness" claims that it is "not part of any church doctrine," Scientology officials insist that its use by public schools poses no problems. Hubbard wrote it in 1980, they report, the year the U.S. Supreme Court ruled that public schools in Kentucky could not display the Ten Commandments in the classroom. Like Scientology itself, says president Jentzsch, the book merely teaches "common sense." However, the volume is published by Bridge Publications, the church's own pub'Way to Happiness': Hubbard's 'secular' principles, while members of the Church of Scientology must.

On the surface, there is little in the book that would trouble any educator who believes in cleanli-

ness, honesty, integrity and tolerance. Among Hubbard's 21 moral principles is this curiously relaxed restatement of the golden rule: "Try not to do things to others that you would not like them to do to you."

State State State

But Hubbard's catechism is also studded with farring axioms. It declares, for example, that "the way to happiness does not include murdering your friends, your family or yourself being murdered."

More important, anyone familiar with Scientology will and that the text uses key words and concepts taken directly from Scientology's religious lexicon. For instance, Scientology teaches that the fundamental point of life is "survival," and that only those who become the "cause" of their own actions can be truly happy. This is also a major theme of "The Way to Happi-ness." More significant, Scientology teaches that the truth is "what is true for you." This relativistic view is repeated with emphasis in the book. On the other hand, the text is silent about most of Scientology's central tenets: for example, its belief that people suffer from evil deeds done in past lives that the church's ministers can correct through expensive counseling courses. and its adamant opposition to psychiatry.

Front group? Critics of Scientology, including some former officials, argue that "The Way to Happiness" is primarily a recruiting tool for the church. According to Vicki Amaran, who once served as inspector general of the Religious Technology Center, the church's highest ecclesiastical organization, The Way to Happiness Foundation is "a front group to get people into Scientology" and the book is designed "to make Scientology palatable to the masses." Another former church member, Gerald Armstrong, claims that Hubbard , wanted "rich Scientologists to buy huge quantities of this book for distribution. He wanted to go down in history as a scientist or a philosopher or both." Both Aznaran, who runs a private detective agency in Dallas, and Armstrong, who works for an anti-Scientologist attorney in San Francisco, are currently locked in prolonged and bitter litigation with the church over a variety of claims.

Church officials strongly deny that "The Way to Happiness" is a lure to attract potential converts. Still, the church is anxious to broaden its appeal by promoting Hubbard's various "technologies" for combating drugs, reforming criminals, teaching morality and learning how to study-and doing it through its sundry satellites: Narconon, Criminon, Applied Scholastics and The Way to Happiness Foundation. The church's encyclopedic reference text, "What Is Scientology?" claims that 23 corporate giants have used Hubbard's study technology. Yet a check of three of them-Mobil Oil. General Motors and Lancome-brought denials of any corporate involvement with the church. But if the nation's public schools are any measure, Hubbard's tracts will continue to turn up in the most surprising places.

Martyrs for Multiculturalism

EDUCATION

Courses that students at UCLA might die for

or 20 years, the University of California, Los Angeles, has offered courses about Chicano culture and history. But last April, on the eve of the funeral of Cesar Chavez, the farm workers' union leader, officials announced that they would not create a special department devoted to Chicano studies—instead they pledged to im-



A fight to the death: Protesters at UCLA

prove the existing program. Since then, the campus has reverted to '60s-style protests. Students—mostly Chicanos—took over a faculty center, then trashed it. City police arrested 99 demonstrators. And now, on the lawn outside the administration building, nine demonstrators have taken a page from the Chavez manual, pledging to fast until a department is created—or they die.

Is this a cause worth dying for? "We are risking our lives to save lives," says hunger striker Jorge Mancillas, assistant professor of biology at UCLA's medical school. More academic attention, he thinks, will eventually pay off in a more prosperous, stronger Chicano community. But UCLA does not have separate departments for any special-interest group. Asians, blacks and women have all had to content themselves with interdisciplinary majors taught by professors from traditional academic departments. That arrangement is unsatisfactory, say the demonstrators, because faculty members have little time or encouragement to concentrate on ethnic studies. Their solution: full anademic status for Chicano studies. "We cannot

> continue to the next necessary step without departments," step Luis Torres, an English- and Chicanostudies professor at the University of Southern Colorado who also heads the National Association of Chicano Studies. (About 17 percent of UCLA's 23,000 students are Chicano; many have not joined the campus demonstrations.)

> UCLA administrators insist that a field like Chicano studies- wuching on history, sociology, literature, feminism and other disciplines-is best left as an interdisciplinary program. That structure encourages the flow of ideas among Chicanostudies faculty and other specialists. Creating separate departments, says UCLA Provost Herber: Morris. encourages a "Balkanization" that the university wants to avoid. "We need the ethnic perspectives to pervade all the departments," says Morris, who does agree that the Chicano program needed improvement

> Chancellor Charles E. Young offered to take several important steps to bolster the Chicano-studies program. First, all ethnic- and gender-studies programs would be exempt from funding cuts for two

years-a critical gesture because :ie UC system is strapped for cash. Second, new faculty would be appointed jointly to Chicano studies and an existing department-history, say, or languages. Also, Young insists that this year's decision need not be the final one. He suggests that the idea of a full-fledged department can be re-examined in a few years. Seeking an end to the demonstrations last week, university officials offered even more finding and more faculty for the program. So far, the protesters have rejected his clars-as well as food. In a state where minorities now account for nearly half of the student body at some public universities-and sometimes more-the bitter confict at UCLA will not be the last.

CONNIE LESLIE WILL ANDREW MUZZ = UCLA

PROOF OF SERVICE

STATE OF CALIFORNIA COUNTY OF LOS ANGELES

SS.

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I am employed in the County of Los Angeles, State of California. I am over the age of eighteen (18) years and not a party to the within action. My business address is 6255 Sunset Boulevard, Suite 2000, Los Angeles, CA 90028.

On April 4, 1994 I served the foregoing document described as VERIFIED SECOND AMENDED COMPLAINT FOR DAMAGES AND FOR PRELIMINARY AND PERMANENT INJUNCTIVE RELIEF FOR BREACH OF CONTRACT on interested parties in this action,

> [] by placing the true copies thereof in sealed envelopes as stated on the attached mailing list;

> [X] by placing [] the original [X] true copies thereof in sealed envelopes addressed as follows:

PAUL MORANTZ P.O. Box 511 Pacific Palisades, CA 90272

FORD GREENE HUB Law Offices 711 Sir Francis Drake Blvd. San Anselmo, CA 94960-1949

[X] BY MAIL

[] *I deposited such envelope in the mail at Los Angeles, California. The envelope was mailed with postage thereon fully prepaid.

[X] As follows: I am "readily familiar" with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with U.S. postal service on that same day with postage thereon fully prepaid at Los Angeles, California in the ordinary course of business. I am aware that on motion of party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing an affidavit. Executed on April 4, 1994 at Los Angeles, California.

[] **(BY PERSONAL SERVICE) I delivered such envelopes by hand to the offices of the addressees.

Executed on , at Los Angeles, California.

[X] (State) I declare under penalty of the laws of the State of California that the above is true and correct.

[] (Federal) I declare that I am employed in the office of a member of the bar of this court at whose direction the service was made.

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Signature

* (By Mail, signature must be of person depositing envelope in mail slot, box or bag)

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